Service Alberta

Annual Report
2006-2007

Alberta

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta released June 21, 2007 contains the Minister of Finance's accountability statement and the consolidated financial statements of the Province. The Measuring Up report released June 28, 2007 provides a comparison of the actual performance results to the desired results set out in the government's business plan.

This annual report of the Ministry of Service Alberta contains the Minister's accountability statement, the combined audited financial statements of the former ministries of Government Services, Restructuring and Government Efficiency and the Personnel Administration Office (now known as Corporate Human Resources) – formerly an entity within the former Ministry of Human Resources and Employment. Included is a comparison of actual performance results to desired results set out in the 2006-09 business plans of those entities.

A comparison of actual performance results to desired results for the Air Transportation Service and the Central Vehicle Service, once attached to the Ministry of Infrastructure and Transportation, can also be found in this report.

The Service Alberta annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

As a guide to the reader, Table 1 outlines the core business, goals and performance measures used in this report compared to how they appear in the 2006-09 business plans of the respective ministries.

Guide to Annual Report Structure Compared to 2006-09 Business Plans

Service Alberta Annual Report Structure	Structure in the 2006-09 Business Plans
Service Alberta Core Business One: Provide efficient and secure access to government programs and services	**Government Services Core Business One: Provide efficient and secure access to government programs and services**
Goal One: Efficient licensing and registration services	Goal One: Efficient licensing and registration services
Performance Measure 1A - Satisfaction with the registries call centre	Performance Measure 1A - Satisfaction with the registries call centre
Performance Measure 1B - Satisfaction with registry-related services	Performance Measure 1B - Satisfaction with registry-related services
Performance Measure 1C - Fee comparisons to other jurisdictions on common transactions	Performance Measure 1C - Fee comparisons to other jurisdictions on common transactions
Goal Two: Efficient and convenient access to government information and services	Goal Two: Efficient and convenient access to government information and services
Performance Measure 2A - Satisfaction with access to government services and information	Performance Measure 2A - Satisfaction with access to government services and information
Performance Measure 2B - Satisfaction with timeliness of government services and information	Performance Measure 2B - Satisfaction with timeliness of government services and information
Performance Measure 2C - Satisfaction with using the Service Alberta Call Centre to access and obtain government information	Performance Measure 2C - Satisfaction with using the Service Alberta Call Centre to access and obtain government information
Service Alberta Core Business Two: Support a fair and effective marketplace in Alberta	**Government Services Core Business Two: Support a fair and effective marketplace in Alberta**
Goal Three: Informed consumers and businesses and a high standard of marketplace conduct	Goal Three: Informed consumers and businesses and a high standard of marketplace conduct
Performance Measure 3A - Satisfaction with the consumer call centre	Performance Measure 3A - Satisfaction with the consumer call centre
Performance Measure 3B - Likelihood of recommending investigative services to a friend	Performance Measure 3B - Likelihood of recommending investigative services to a friend
Performance Measure 3C - Satisfaction with the quality of tipsheet information	Performance Measure 3C - Satisfaction with the quality of tipsheet information
Goal Four: Effective advocacy of Albertans' interests in the restructured utilities market	Goal Four: Effective advocacy of Albertans' interests in the restructured utilities market
Performance Measure 4A - Awareness of the Utilities Consumer Advocate	Performance Measure 4A - Awareness of the Utilities Consumer Advocate
Performance Measure 4B - Satisfaction with the Utilities Consumer Advocate Contact Centre	Performance Measure 4B - Satisfaction with the Utilities Consumer Advocate Contact Centre

Service Alberta Annual Report Structure	Structure in the 2006-09 Business Plans
Service Alberta Core Business Three: Provide strategic leadership in information management and access and privacy protection	**Government Services Core Business Three: Provide strategic leadership in information management and access and privacy protection**
Goal Five: Effective programs and services for information management, access to information and protection of privacy	Goal Five: Effective programs and services for information management, access to information and protection of privacy
Performance Measure 5A - Percentage of *Freedom of Information and Protection of Privacy Act* requests completed within 60 days or less	Performance Measure 5A - Percentage of *Freedom of Information and Protection of Privacy Act* requests completed within 60 days or less
Performance Measure 5B - Percentage of *Freedom of Information and Protection of Privacy Act* requests handled without complaint to the Information and Privacy Commissioner	Performance Measure 5B - Percentage of *Freedom of Information and Protection of Privacy Act* requests handled without complaint to the Information and Privacy Commissioner
Service Alberta Core Business Four: Business innovation	**Restructuring and Government Efficiency Core Business One: Business innovation**
Goal Six: Develop and deliver initiatives that directly improve the delivery of programs and services to Albertans	Goal One: Develop and deliver initiatives that directly improve the delivery of programs and services to Albertans
Performance Measure 6A - Number of computer applications that use the Alberta Secure Access Service	Performance Measure 1A - Number of computer applications that use the Alberta Secure Access Service
Performance Measure 6B - Number of organizations that use SuperNet for IP videoconferencing	Performance Measure 1B - Number of organizations that use SuperNet for IP videoconferencing
Service Alberta Core Business Five: Government efficiency	**Restructuring and Government Efficiency Core Business Two: Government efficiency**
Goal Seven: Provide strategic leadership in corporate service delivery and improve efficiency within the Government of Alberta and across ministries	Goal Two: Provide strategic leadership in corporate service delivery and improve efficiency within the Government of Alberta and across ministries
Performance Measure 7A - Thousands of invoices paid electronically	Performance Measure 2A - Thousands of invoices paid electronically
Performance Measure 7B - Percentage of technology services budget spent on services delivered through the ICT Service Co-ordination Model	Performance Measure 2B - Percentage of technology services budget spent on services delivered through the ICT Service Co-ordination Model
Performance Measure 7C - Percentage of government employees that use the GoA Domain	Performance Measure 2C - Percentage of government employees that use the GoA Domain
Service Alberta Core Business Six: Service excellence	**Restructuring and Government Efficiency Core Business Three: Service excellence**
Goal Eight: Build and maintain excellence in delivering shared services to ministries and partners	Goal Three: Build and maintain excellence in delivering shared services to ministries and partners

Service Alberta Annual Report Structure	Structure in the 2006-09 Business Plans
Performance Measure 8A - Satisfaction with the overall quality of common administrative services provided	Performance Measure 3A - Satisfaction with the overall quality of common administrative services provided
Performance Measure 8B - Percentage of Restructuring and Government Efficiency employees who agree that the ministry provides the support they need to acquire or develop knowledge or skills in their current job	Performance Measure 3B - Percentage of Restructuring and Government Efficiency employees who agree that the ministry provides the support they need to acquire or develop knowledge or skills in their current job
Service Alberta Core Business Seven: Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs (as it relates to air and vehicle fleets)	**Infrastructure and Transportation Core Business Three: Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs**
Goal Nine: Efficiently manage the government's air and vehicle fleets	Goal Eight: Efficiently manage the government's air and vehicle fleets
Performance Measure 9A - Satisfaction with vehicle services	Performance Measure 8A - Satisfaction with vehicle services
Performance Measure 9B - Satisfaction with air transportation services	Performance Measure 8B - Satisfaction with air transportation services
Personnel Administration Office (now known as Corporate Human Resources) Core Business One: Human resource management	**Human Resources and Employment Core Business Four: Human resource management**
Goal One: An integrated, effective and enabling human resource management framework in the Alberta Public Service	Goal Five: An integrated, effective and enabling human resource management framework in the Alberta Public Service
Performance 1A - Satisfaction with human resource strategies and policy frameworks	Performance 5A - Satisfaction with human resource strategies and policy frameworks
Performance Measure 1B - Satisfaction with working relationships with the Personnel Administration Office	Performance Measure 5B - Satisfaction with working relationships with the Personnel Administration Office
Goal Two: An engaged and healthy public service that is positioned to meet emerging and diverse government goals	Goal Six: An engaged and healthy public service that is positioned to meet emerging and diverse government goals
Performance Measure 2A - Satisfaction with employment with the Alberta Public Service	Performance Measure 6A - Satisfaction with employment with the Alberta Public Service
Performance Measure 2B - Satisfaction with learning and development opportunities	Performance Measure 6B - Satisfaction with learning and development opportunities
Performance Measure 2C - Satisfaction with how clearly work expectations are communicated to them	Performance Measure 6C - Satisfaction with how clearly work expectations are communicated to them
Performance Measure 2D - Lost time claims rate for the Alberta Public Service	Performance Measure 6D - Lost time claims rate for the Alberta Public Service

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at (date to be confirmed) along with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Lloyd Snelgrove
Minister of Service Alberta

Message from the Minister

Lloyd Snelgrove
Minister of Service Alberta

I am honoured to present the 2006-07 annual report of the Ministry of Service Alberta.

Service Alberta is a new ministry in a new government created by Premier Ed Stelmach on December 15, 2006. Service Alberta combines the former ministries of Government Services and Restructuring and Government Efficiency. The ministry also comprises the Personnel Administration Office, now known as Corporate Human Resources (once part of Alberta Human Resources and Employment), and Air Transportation Service and the Central Vehicle Service (formerly attached to Alberta Infrastructure and Transportation).

Service Alberta directly or indirectly touches the lives of tens of thousands of Albertans and provincial employees on a daily basis. Whether it is a driver registering a vehicle, a business seeking information, a provincial employee filing a monthly time sheet, a ministry requesting technical assistance or a consumer requesting advice, Service Alberta is the department that helps in a way that provides convenient access to information while protecting Albertans' privacy.

Service Alberta has a wide range of responsibilities that support all of government's five priorities. These priorities are to:

- Govern with integrity and transparency
- Manage growth pressures
- Improve Albertans' quality of life
- Build a stronger Alberta
- Provide safe and secure communities

In particular, the work of the ministry is helping government manage growth pressures and improve the quality of life for Albertans.

As Minister of Service Alberta and Minister Responsible for the Personnel Administration Office, my specific priorities as outlined by the Premier are to:

- Develop a plan for innovative approaches to improve service delivery to Albertans in a variety of ways – in person, by phone or over the Internet
- Accelerate the implementation of a corporate approach to information management and information technology
- Continue the public service renewal initiatives, addressing the impact of an aging workforce and strengthening the public service's support to elected officials in developing policy

Merging the mandates, responsibilities and functions of the various entities that make up the ministry is an achievement in itself, attesting to the dedication and diligence of the ministry's highly skilled and versatile staff. Their efforts and the application of innovative technology allow us to efficiently deliver an impressive array of products, services and information.

Our people fuel our success – people with common vision, values and commitment; people who are proud of their work and who they work for.

The people who work for this ministry help fulfil the Service Alberta vision – one government, one employer and one enterprise driving innovation and excellence in service delivery – and the values we share with the Alberta public service – respect, accountability, integrity and excellence.

It is my pleasure to present the 2006-07 annual report of the Ministry of Service Alberta. It represents a strong foundation for future achievements.

Lloyd Snelgrove
Minister of Service Alberta

Management's Responsibility for Reporting

The Ministry of Service Alberta includes the Personnel Administration Office (now known as Corporate Human Resources).

The executives of Service Alberta and the Personnel Administration Office have the primary responsibility and accountability for Service Alberta and the Personnel Administration Office. Collectively, the executives ensure that the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the ministry rests with the Minister of Service Alberta. Under the direction of the minister, we oversee the preparation of the ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister and Public Service Commissioner, in addition to program responsibilities, we establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control that give consideration to costs, benefits and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations and properly recorded so as to maintain accountability of public money
- Provide information to manage and report on performance
- Safeguard the assets and properties of the province under ministry administration
- Provide to Executive Council, Treasury Board, the Minister of Finance and the Minister of Service Alberta any information needed to fulfil their responsibilities
- Facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*

In fulfilling our responsibilities for the ministry, we have relied as necessary on the executives of Service Alberta and the Personnel Administration Office.

Shirley Howe

Paul Pellis
Deputy Minister
Services Alberta
September 4, 2007

Shirley Howe
Public Service Commissioner
Personnel Administration Office
September 4, 2007

OVERVIEW

Overview

Ministry Entities

Service Alberta
Phone: (780) 427-1990 Fax: (780) 427-4999
www.servicealberta.ca

Business Services Division

- Supports a fair and effective marketplace for consumers and businesses by administering and enforcing consumer protection legislation and by informing Albertans of their rights and responsibilities in matters such as residential tenancies, purchase decisions and protection of their identities.
- Represents and protects the interests of Albertans in the regulatory proceedings of the Alberta Energy and Utilities Board and provides a voice for Albertans to ensure their questions and concerns about the electricity and natural gas markets are addressed.
- Serves ministry and other government customers by procuring the goods and services necessary to fulfil their business needs. Provides shared services that enable all ministries to deliver their services to Albertans. Services provided include print, mail, inter-department courier, telecommunications, office equipment, security access and furniture, libraries and the Queen's Printer.

Enterprise Services Division

- Leads the cross-government strategic approach to information and communication infrastructure services to all GoA departments and some agencies, boards and commissions.
- Responsible for:
  - The strategy and implementation of the Citizen Services Initiative leading to better access to government information and services for Albertans and for the Service Alberta programs and services website.
  - The Information and Communication Technology (ICT) Service Co-ordination Initiative, which results in cost savings by co-ordinating the management and common delivery of computer hardware, software and services required by the government.
  - The GoA Domain Initiative, which is a cross-ministry approach to establish standardized delivery of ICT services to ministries.
- Provides project management and ensures comprehensive delivery for significant projects.

Financial Services Division

- Provides centralized shared services to the GoA in accounts payable and receivable, collections, payroll, employee benefits, electronic payments and business re-engineering.
- Takes a lead role for the ministry in the areas of planning and performance measurement, budgeting and forecasting and financial reporting for Service Alberta and the Personnel Administration Office.
- Delivers safe, reliable and cost-effective air and vehicle transportation services to government.

Information Services Division

- Facilitates the advancement of the Information Management Framework across government and provides records management services to all ministries.
- Provides advice and assistance to public bodies on access to information and protection of privacy matters and ensures that personal information of Albertans held by the ministry is appropriately secured.
- Manages the legislative agenda for the ministry and co-ordinates regulatory reform for the government.

Registries Division

- Provides land title services under the Torrens system of land registration.
- Facilitates the delivery and accessibility of motor vehicles, personal property, vital statistics and corporate registry and licensing services for Albertans to obtain government information and services using their choice of delivery channel.

Technology Services Division

- Supports a one-government approach with ministries in delivery of programs and services to Albertans through innovation and efficiency in providing common ICT infrastructure.
- Develops and maintains a responsive, reliable voice, data and video information and communication environment to ensure sustainability and to realize the maximum value for both investments by ministries to deliver programs and services and access to Albertans.

Communications

- The Public Affairs Bureau and internal resources jointly provide communication services.

Human Resources

- Develops and implements human resource planning initiatives, policies and programs.
- Services include employee attraction and retention, occupational health and safety, workplace wellness, employee learning and development and recognition.

Personnel Administration Office (now known as Corporate Human Resources)

Phone: (780) 408-8450 Fax: (780) 422-5428
www.chr.alberta.ca

- Develops corporate human resource strategies and provides expert consulting to provincial ministries on pay, benefits, classification, labour relations, workplace health, staffing, human resource planning, employee attraction and retention and corporate employee development.
- Helps build positive and productive workplaces by advancing employee engagement, performance management and capacity building strategies.
- Delivers a corporate executive search program to attract and retain executive managers and senior officials for the government.
- Leads the development of the human resource community in the Alberta Public Service.
- Co-ordinates provincial government job postings.

Operational Overview

Service Alberta

Service Alberta is committed to delivering high quality, co-ordinated business, financial, information and technology services to government ministries as well as a diverse range of services that touch the daily lives of all Albertans. This integrated approach, based on a broad corporate view of the government as one entity, enables government to act seamlessly and facilitate easy access to programs and services for ministries and all citizens.

The Ministry of Service Alberta was created in December 2006 as part of the re-organization of the Government of Alberta. Service Alberta combines the former ministries of Government Services and Restructuring and Government Efficiency. The ministry also includes the Personnel Administration Office (formerly with Alberta Human Resources and Employment), the Air Transportation Service and Central Vehicle Services (formerly part of Alberta Infrastructure and Transportation).

Support for Government of Alberta Goals

Through its core businesses and associated ministry programs, Service Alberta plays a key role in supporting the following 2006-07 Government of Alberta goals:

GOAL 1

Alberta will have a prosperous economy

Service Alberta supports this goal by:

- Facilitating more than 17.5 million common business transactions each year for Albertans through registry services.
- Promoting consumer confidence by continually reviewing and enforcing marketplace legislation to ensure it remains current and responsive to emerging issues.

GOAL 8:

Alberta will have financially stable, open and accountable government

Service Alberta supports this goal by:

- Contributing to the efficient and convenient delivery of government services to Albertans by Internet, telephone and in person.
- Providing support and advisory services to public bodies that administer the *Freedom of Information and Protection of Privacy Act* and records management legislation.
- Ensuring the Alberta Public Service has an integrated, effective and enabling human resource management framework and an engaged and healthy workforce positioned to meet emerging and diverse government goals supports an open and accountable government.
- Implementing the Government of Alberta Information and Services Strategy to effectively manage information and records and mitigate the risk of inappropriate release of confidential information.

- Leading the assessment and prioritization of opportunities to streamline, restructure and gain efficiencies for the business of government. The ministry strives to deliver programs and services to Albertans through sharing corporate information and communications technology and administrative systems and processes.
- Maintaining a competitive licensing and registration fee structure in support of the Alberta Advantage.

GOAL 10:
Alberta will be a fair and safe place to work, live and raise families

Service Alberta supports tnis goal by:

- Developing a government-wide strategy to ensure personal information entrusted to government is managed to ensure its privacy and security.
- Ensure the concerns of electricity and natural gas consumers are appropriately addressed at regulatory proceedings through the work of the Utilities Consumer Advocate.
- Delivering effective consumer awareness and protection programs targeted at those who are most vulnerable.
- Supporting private-sector privacy legislation that protects Albertans' personal information while enabling businesses to use information for reasonable purposes.
- Maintaining the motor vehicles registry in support of the *Traffic Safety Act* and road safety initiatives.
- Reducing vehicle theft in Alberta by supporting the efforts of the Alberta Vehicle Theft Advisory Committee.

GOAL 14:
Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life.

Service Alberta supports this goal through:

- Promoting the safety of Alberta's roads and highways through the use of the motor vehicle registration system to support regulations, standards and enforcement.
- SuperNet provides a high-speed broadband infrastructure for universities, schools, libraries, hospitals and provincial government buildings. This infrastructure provides increased opportunities and resources for Albertans and Internet service providers who will be able to connect to residences and businesses throughout the year. In 2006-07, Service Alberta focused on strategic activities for the operation of SuperNet toward meeting the needs, challenges and opportunities facing users of the network.

Summary of Key Activities

The operations of the various entities brought together to form the new ministry of Service Alberta can best be described as:

- Services provided to Albertans
- Services provided to government
- Human resource services provided to government

Services provided to Albertans

When Albertans register a car, use a videoconference link to a training session in another city, start a business or look for information about the province's consumer protection legislation, they are accessing some of the diverse range of services, products and information offered by the ministry. The following key activities were undertaken in 2006-07:

- Began the Residential Tenancy Dispute Resolution Service to allow landlords and tenants to resolve serious disputes without the expensive and time-consuming process of going to court.
- An Internet-based videoconferencing service was designed and implemented over SuperNet – a high-speed, high-capacity broadband network linking Alberta government offices, schools, health-care facilities and libraries. The service is already handling more than a dozen multi-participant videoconferences daily.
- Amended the *Freedom of Information and Protection of Privacy Act* to strengthen privacy protection by placing restrictions on the disclosure of personal information to courts without jurisdiction in Alberta and by creating a new offence for unauthorized disclosure, which extends to employees and contractors.
- Returned more than $10 million to consumers through investigations, mediations and negotiations conducted by Service Alberta staff and strategic partners.
- Became the first jurisdiction in Canada to integrate facial recognition technology into operator's licences. This prevents individuals from creating more than one motor vehicle identity by comparing the client's previous image against the one taken during subsequent service.
- Signed an agreement between Service Canada and the ministry's Vital Statistics registry to permit sharing of specific information that will ensure better security for information necessary for the issuance of Social Insurance Number cards by Service Canada.
- Began a pilot project to share vital events (e.g. births, deaths, marriages) among provincial and federal jurisdictions, which used new technologies to validate key vital event data to protect citizen identity.
- Amended the *Real Estate Act* to strengthen the Real Estate Council of Alberta's ability to help prevent mortgage fraud and other misconduct within the real estate industry.
- Provided registry agents with online access to samples of driver's licences and government-issued identity cards from the United States, Canada, Mexico and 142 other countries. This enhances their ability to detect fraudulent documents, provides an up-to-date reference source for legitimate documents and allows agents to become familiar with documents from around the world.
- Established the Graduated Driver Licensing Exemption pilot program for mature drivers who have obtained driving experience in jurisdictions that do not have reciprocal licence exchange agreements with Alberta.

- Changed the disabled parking placard program to better reflect the needs of those qualifying under the program. Persons with long-term disabilities can now qualify for future renewal of their placards without a medical examination each time and placards may now be issued to authorized commercial organizations.
- Initiated the *Don't Get Ripped Off* campaign on fraud awareness, using Motor Vehicles Registry mail inserts and posters.
- Achieved more than $70 million in reductions to consumer utility billings by participating in Alberta Energy and Utility Board proceedings.
- Enhanced the province's Driver Knowledge Testing System with the addition of dedicated testing workstations in most registry agent offices, providing Albertans access to automated driver knowledge testing in a secure environment.
- Implemented Province of Alberta Business Licensing Online making it easier for regulated businesses and salespeople to renew their licences.
- Launched a new Utilities Consumer Advocate website in July 2006 to inform consumers of their options and to help them make the most appropriate energy-purchasing decisions for their home, farm or small business.

Services provided to government

Much of the ministry's business is carried out behind the scenes to make the delivery of government programs and services more effective, efficient and economical for Albertans. It is important work that has an impact on Albertans in terms of access, service and confidence in the information, services and products provided. The following key activities were undertaken in 2006-07:

- Worked with ministries to develop a common security portal for internal, external and public users to access government web applications. The Application Security Integration Service enables ministries to accelerate and improve their ability to use the Alberta Secure Access Service, which provides ministries with the potential to have "a one-stop shop" for security services for all government employees, stakeholders and the public.
- Worked closely with ministries across government to develop a new Information and Services Strategy to guide directions, decisions and activities related to managing services, information and technology in the government.
- Accelerated the implementation of standard technology infrastructure for ministries, ensuring secure and reliable services, standard network environments and common solutions to meet cross-ministry business requirements.
- Provided shared services that support the operation of the government by purchasing more than $400 million of goods, printing almost 30 million documents and mailing seven million pieces of mail.
- Supported the emergency flood relief effort in the spring of 2006 by providing sandbags, pumps and electrical generators to protect people and property in danger.
- Revised contract terms and conditions to standardize and simplify contracts. The changes were first seen in the request for proposals and contracts in the Information and Communications Technology Service Co-ordination Initiative and are now expanding to all goods and services contracts managed by Service Alberta.
- Piloted technology projects to enable ministries to collaborate more effectively with their stakeholders. These technologies provide improved communication abilities including secure instant messaging and videoconferencing.

- Developed a security information program to increase awareness and understanding of security responsibilities and actions for all government employees.
- Expanded network infrastructure in two data centres to accommodate future growth of government's technology needs.
- Crown Debt Collections received a Premier's Award of Excellence for developing a simplified process for hiring collection firms to handle overdue accounts on behalf of three different ministries.
- Purchased two new King Air B200 aircraft to replace aging planes in the government's fleet. The new aircraft will provide further savings over the next 10 years in reduced equipment upgrades and lower operating costs.

Human resource services provided to government

The Personnel Administration Office (now known as Corporate Human Resources) is the corporate human resources arm of the Government of Alberta. The Personnel Administration Office collaborates with other ministries to provide strategic leadership and develop government-wide human resource strategies and policies to provide Alberta Public Service employees with the supports and skills they need to continue delivering high-quality programs and services to Albertans. The following key activities were undertaken in 2006-07:

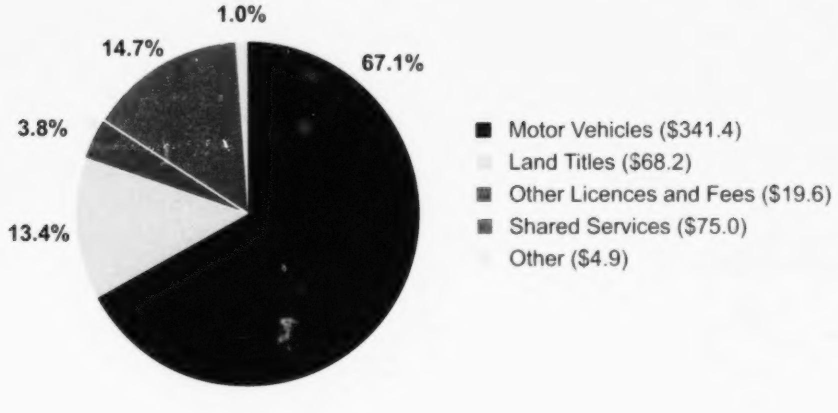
- Co-ordinated the development of the Alberta Public Service Vision and Values, including employee consultations, manager/supervisor handbooks, and the vision and values website: www.pao.gov.ab.ca/apsvisionandvalues. Also led the co-ordination of staff events held across the province to introduce the vision and values to employees.
- Attracting, developing and engaging talent continued to be a focus during the year. Numerous initiatives included an active marketing of the Government of Alberta as an employer of choice, new pilots aimed at attracting employees to more northern and remote communities, a continued emphasis on the Internship and Ambassador programs, development of a new Orientation to Government program, development of a new Career Management Portal, expansion of the Executive Mobility program to include secondment opportunities for senior managers and enhanced performance management tools for supervisors.
- Received a silver Premier's Award of Excellence for an ongoing work unit for the submission entitled: The Personnel Administration Office - Building a Strong Public Service. Also received a silver Canada Awards for Excellence from the National Quality Institute.

Financial Highlights

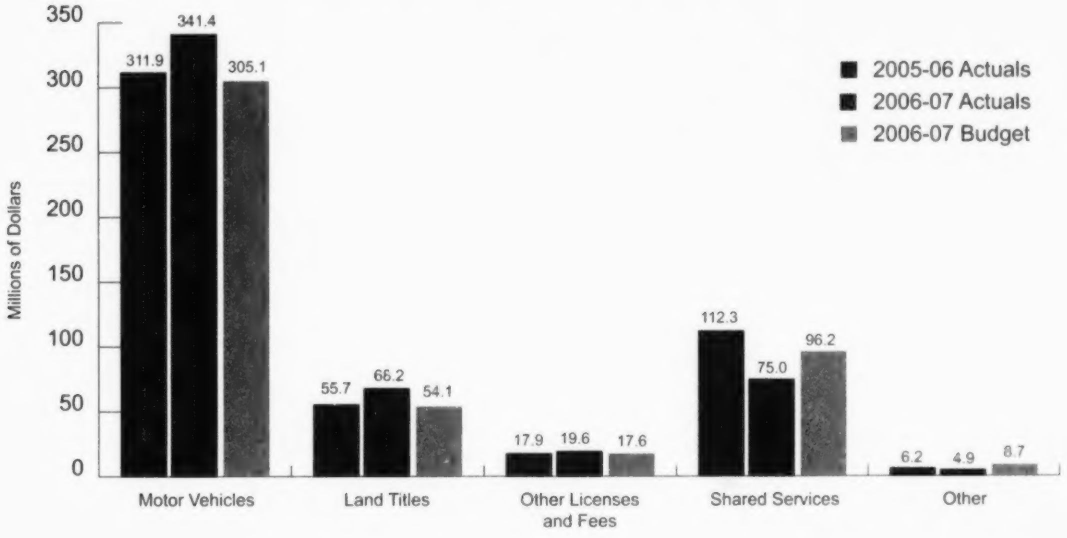
Revenues

Sources of 2006-07 Revenue

(millions of dollars)



Comparison of 2006-07 Revenue to 2005-06 Restated Revenue



The majority of the ministry's fees and licences revenue is generated through registration transactions, licensing and search services associated with the Motor Vehicles registry, the largest of the five registries. Services are delivered through more than 220 local registry agencies across the province. As well, some services are now offered online through the Internet.

The revenues from fees and licences are based on a fee per transaction as well as the associated volume of transactions. The amount of revenue collected is dependent upon factors such as the economic health of the province and changes in population. These factors impact the volume of sales and in some cases the amount of the fee charged. Fees for registration of land titles are based on the value of the real estate or mortgage. Higher real estate values directly impact revenues in Land Titles.

Total revenue is $27.4 million higher than budget due to higher transaction volumes in all registries. The increase in revenue is particularly prevalent in Motor Vehicles and Land Titles.

Motor vehicle-related revenues increased to $341.4 million over the prior year resulting from the province's robust economic growth and the influx of new Albertans. The increase of $29.5 million over 2005-06 is primarily a result of increases in transaction volumes for commercial vehicle registrations (60,000), passenger vehicle registrations (103,000) and operator licences (71,000).

Land Titles registration and search services generated $68.2 million of revenue. Government offices in Edmonton and Calgary provide examination and registration-related services while registry agents provide land title searches, historical searches and certified copies of land titles. In addition, the Spatial Information System (SPIN II) provides businesses with an opportunity to conduct online searches of Land Titles data products, registered survey plans, township images and other land information through a subscription service.

Land Title revenues increased by $12.5 million over 2005-06. This was attributed to increases in the volume of land-related transactions as well as escalating property values. Specifically, there were 72,000 more registrations and 235,000 more searches than in the prior year.

An additional $19.6 million in revenue was generated through various **other fees and licences** including Personal Property Registry, Corporate Registry, marriage licences and certificates for key events such as births, deaths, adoptions and name changes, as well as business licences. The increase in revenue is reflective of the province's continuing robust growth and expanding economy.

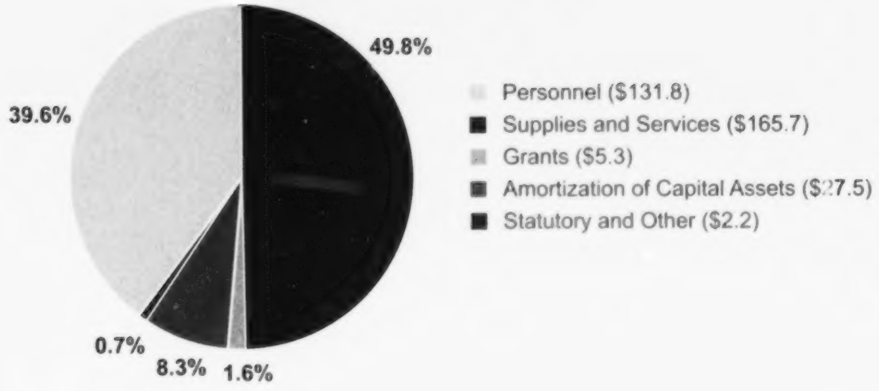
Shared Services revenue decreased by $37.3 million resulting from the ministry's continued efforts to identify costs that can be paid directly by other ministries. Service Alberta bills other ministries for information technology services and for volume-driven business services (i.e. mail, print, imaging and form services).

Of the $4.9 million in **other revenue**, $3.7 million was reported by the Utilities Consumer Advocate (UCA) in 2006-07, up by $0.7 million from the previous year primarily due to increased costs in contracted services. The UCA operates on a cost-recovery basis and receives industry contributions.

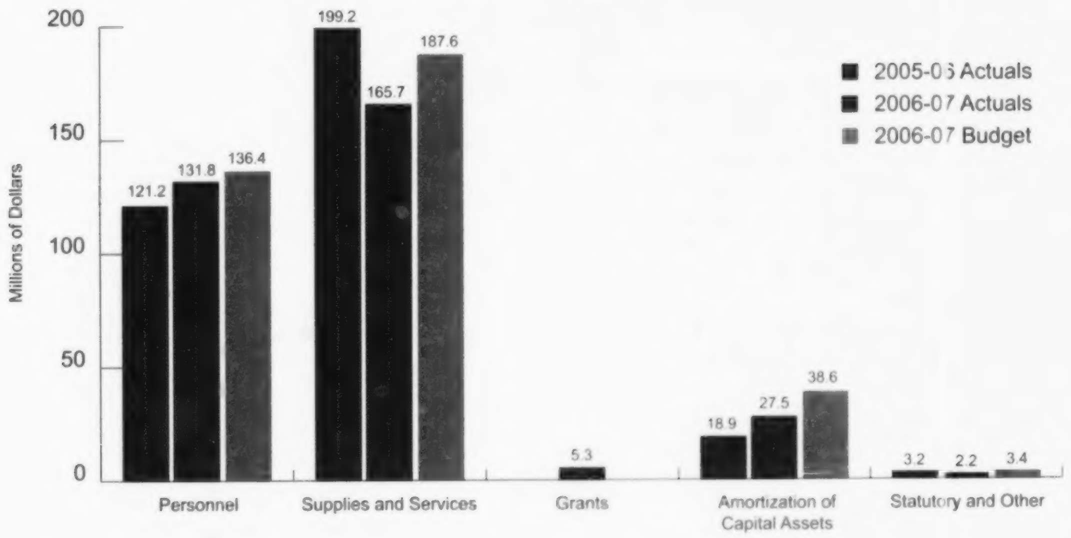
Expenses

2006-07 Expenses by Category

(millions of dollars)



Comparison of 2006-07 Expenses to 2005-06 Restated Expenses



Operating expense is $32.5 million lower than budget due to contracted computing service agreements, now paid directly and reported by other ministries in 2006-07.

Actual operating and statutory expenses in combination decreased by $10.0 million over 2005-06.

Personnel expenses increased by $10.6 million over the prior year. Salaries and benefits in the Personnel Administration Office increased by $5.9 million resulting from staffing increases in Executive Mobility and Employee Engagement Programs. The bulk of the remaining increase in personnel costs is in response to transaction volume and demand increases.

Supplies and services decreased by $33.5 million due to the identification of additional flow-through costs formerly reflected as part of the ministry's expenses. The relevant contracted computing service costs were being paid directly and reported by the responsible ministries in 2006-07.

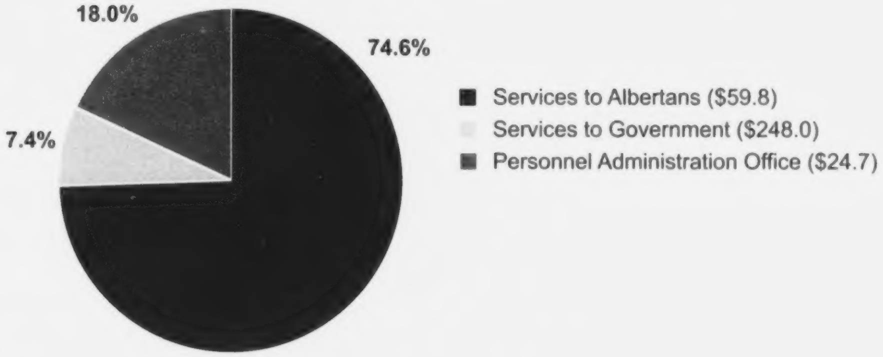
Personnel Administration Office incurred a one-time **grant** of $5.3 million for the Long-Term Disability Insurance Continuance Plan - Bargaining Unit to cover increases in monthly benefits.

Amortization expense increased by $8.6 million over the prior year due to the full year's amortization of SuperNet.

Statutory expense is down by $1.0 million due to a decrease in the government's share of the Long-Term Disability Income Continuance Plan liability.

Expenses by Core Business

2006-07 Expenses by Core Business



Services to Albertans is comprised of the following core businesses developed and adopted by Service Alberta:

Core Business 1 - Efficient and secure access to government programs and services (12.3 per cent)

Core Business 2 - Fair and effective marketplace (5.7 per cent)

The ministry dedicated $59.8 million, or 18 per cent of its operating resources to Services to Albertans. Employing an extensive information and communications technology network, the ministry processes more than 17.5 million transactions annually on behalf of Alberta consumers and businesses and millions more for law enforcement agencies. Central to this network are the ministry's five registry systems (i.e., Personal Property, Land Titles, Motor Vehicles, Vital Statistics and Corporate Registries). The ministry continued to improve service delivery to Albertans through a variety of mechanisms (in person, by phone or over the Internet). Additional resources were also provided to address the growing demand for these services – particularly within the Motor Vehicles and Land Titles programs, which have seen transaction volumes increase dramatically over the years.

Services to Government consist of the following core businesses:

Core Business 3 - Information management access, and privacy protection (1.5 per cent)

Core Business 4 - Business innovation (4.2 per cent)

Core Business 5 - Government efficiency (14.7 per cent)

Core Business 6 - Service excellence (52.2 per cent)

Core Business 7 - Partnership with other government departments to plan, develop and implement infrastructure that meets government needs (as it relates to air and vehicle fleets) (2.0 per cent)

Services to Government accounted for the largest component of the ministry's expenses at $248.0 million, or 74.6 per cent. This core business encompassed services provided internally to other ministries and covered an assortment of services: procurement, administration, finance, human resources, air transportation, vehicle and a vast array of information technology (IT) services. The ministry's IT programs included a broad portfolio of services ranging from network services to enterprise resource planning, to business transformation and strategic information technology services. The ministry continued to provide leadership in developing strategies and policies to optimize and standardize the use of information and communications technology, including SuperNet.

The **Personnel Administration Office** (now known as Corporate Human Resources) continued to provide strategic leadership in human resource management for the Alberta Public Service. Its work to develop human resource strategies and policy frameworks in the areas of compensation, benefits, labour relations, workforce development, staffing and employee engagement services accounted for $24.7 million or 7.4 per cent of the ministry's expenses. PAO administers the Alberta Public Service Human Resources Plan, which delivers the Corporate Executive and Senior Manager Mobility Programs.

The following core business was adopted by the Personnel Administration Office as its core business, outlined in the 2006-09 business plan of the former ministry of Human Resources and Employment:

PAO Core Business - Human Resource Management (7.4 per cent)

Expenses by Function

Ministries are required to identify within a common framework the government functions they support. This information is based on national standards to allow for inter-provincial comparisons and for determining federal funding eligibility. For 2006-07, the ministry identified three functions to which its expenditures could be attributed: protection of persons and property; agriculture, resource management and economic development; and general government.

Expenses by Function (millions of dollars)

	2006-07 Authorized Budget	2006-07 Actuals	2005-06 Actuals
Protection of Persons and Property	$ 91.9	$ 83.5	$ 78.9
Agriculture, Resource Management and Economic Development	2.7	2.5	2.2
General Government	271.4	246.5	261.4
Total Expenses by Function	$ 366.0	$ 332.5	$ 342.5

RESULTS ANALYSIS

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Information

To the Members of the Legislative Assembly

Management is responsible for the integrity and objectivity of the performance results for the Department of Service Alberta and the Personnel Administration Office included in the *Ministry of Service Alberta's 2006-07 Annual Report*. My responsibility is to carry out the following specified auditing procedures on performance information in the annual report. I verified:

Performance Measures

Completeness

1. Performance measures and targets matched those included in Budget 2006. Actual results are presented for all performance measures.

Reliability

2. Information in reports from external organizations, such as Statistics Canada, matched information that the Ministry used to calculate the actual results.
3. Information in reports that originated in the Ministry matched information that the Ministry used to calculate the actual results. In addition, I tested the processes the Ministry used to compile the results.

Comparability and Understandability

4. Actual results are presented clearly and consistently with the stated methodology and are presented on the same basis as targets and prior years' information.

Supplemental Measures

5. Information in reports matched information that the ministry used to calculate the actual results.

I found no exceptions when I performed these procedures.

As my examination was limited to these procedures, I do not express an opinion on whether the set of performance measures is relevant and sufficient to assess the performance of the Ministry in achieving its goals.

Fred J. Dunn

FCA
Auditor General

Edmonton, Alberta
August 19, 2007

Results Analysis – Service Alberta

Message from the Deputy Minister

Paul Pellis
Deputy Minister of
Service Alberta

Established in December 2006, Service Alberta is a unique new ministry within the Government of Alberta combining the teams and talents of two former ministries – Government Services and Restructuring and Government Efficiency – as well as some related programs and services from other government departments.

As a result, Service Alberta is both the public face of government as well as the "behind the scenes" support ensuring the millions of annual transactions between Albertans and the government are conducted in a timely and effective manner – whether in person, by mail or through the use of technology.

That is what we do.

How we do it is just as important to ensure we are accountable, transparent and effective. To that end, we are committed to exploring opportunities to improve how government communicates and connects with both Albertans and government employees.

Fortunately, we have a great foundation of accomplishments to build upon in the future.

In 2006-07, the Service Alberta team and its predecessor ministries marked a number of significant achievements on behalf of our clients and stakeholders.

- An Internet-based videoconferencing service was designed and implemented over SuperNet – a high-speed, high-capacity broadband network linking Alberta government offices, schools, health-care facilities and libraries. The service is already handling upwards of 15 multi-participant videoconferences daily.
- In response to unprecedented economic growth, the ministry implemented innovative service delivery solutions, which significantly reduced land title document examination and registration times.
- Approximately 35,000 printed publications were distributed – notably more than 16,000 copies of the consumer tipsheet *Information for Landlords and Tenants* and 4,500 copies of the *Voluntary Code of Practice - Alberta's Residential Tenancies Act.*
- The ministry began a procurement process to engage the private sector in the delivery of IT services to government ministries through a common, one-government approach. This sets the stage for the delivery of information communications technology services in an integrated manner, which creates the essential infrastructure for superior service delivery that citizens are expecting.

And these are just a few of the many accomplishments of Service Alberta's proud past, and again, are successes from which we can continue to build and strengthen the Ministry of Service Alberta.

Much has been done in a relatively short time to bring together and integrate the operations and services of our predecessor ministries. Now, in going forward, the experience and the expertise of the people of Service Alberta will be the key to our success.

I am very proud to share the accomplishments of the many people who make up Service Alberta and I look forward to being able to continue to report on both their accomplishments, as well as how this new and vital ministry helps make Alberta a fair and safe place to work, live and raise families.

Paul Pellis
Deputy Minister of Service Alberta

Core Business One: Provide efficient and secure access to government programs and services

GOAL 1

Efficient licensing and registration services.

Overview

This goal reflects the ministry's commitment to provide the following secure, accessible, accurate and competitively priced licensing and registry services to Albertans:

Performance Measures

1.A Performance Measure: Percentage of ministry call centre clients (registry-related) who are "satisfied overall" with the quality of service received.

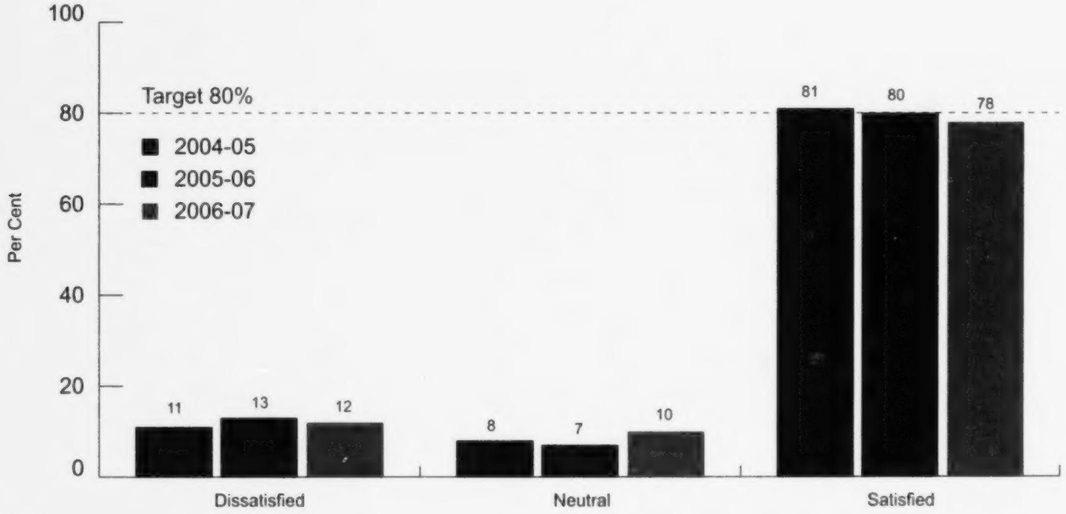
Description

The call centre responds to inquiries related to registry transactions as well as questions related to consumer issues. In demonstrating the ministry's commitment to customer service, this measure focuses on client satisfaction with respect to registry-related calls. These inquiries include questions on available registry products (e.g., vital statistics certificates, driver's licences, and vehicle registration), business licensing and corporate registry requirements.

Results

At 78 per cent satisfaction with registry-related services provided, the target of 80 per cent was almost met.

Registry Call Centre Satisfaction



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Analysis

Clients remain highly satisfied, at 78 per cent satisfaction, although results fell slightly below the ministry's target of 80 per cent. Results confirm that most Albertans are satisfied with the quality of service received from the registry call centre.

1.B Percentage of customers surveyed who are "satisfied overall" with services provided by: registry agents, Land Titles Offices and registry online services.

Description

Client satisfaction with services provided through the registry agents, Land Titles Offices and registry online services represents a key measure for the ministry's goal of efficient licensing and registration services. Reinforcing the commitment to service excellence, target satisfaction rates for registry agents and registry online services are 85 per cent and 80 per cent for Land Titles Offices.

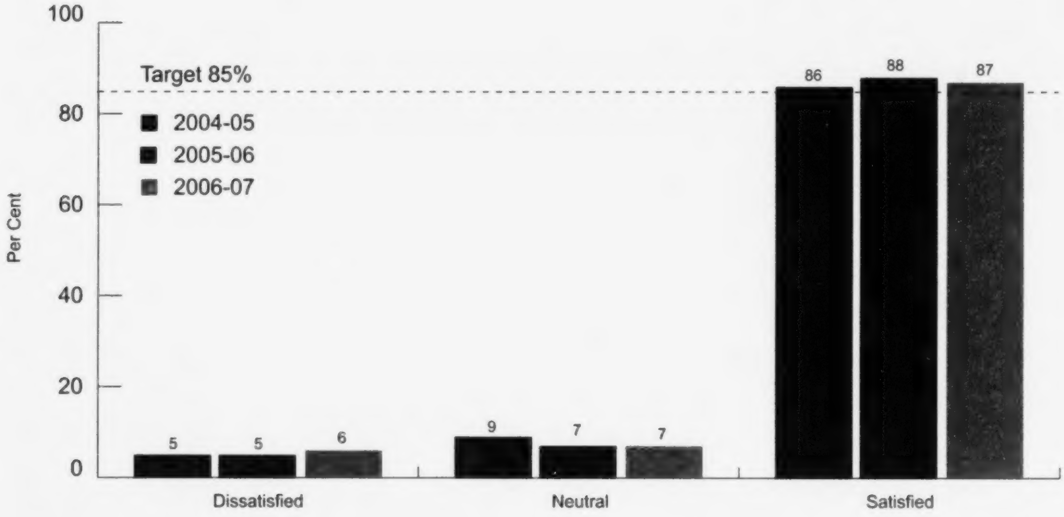
Results

Results for this measure are:

- Registry agents: 87 per cent satisfaction with the service provided.
- Land Titles Offices: 52 per cent satisfaction with the registration process.
- Registry online services: 78 per cent satisfaction with the level of service.

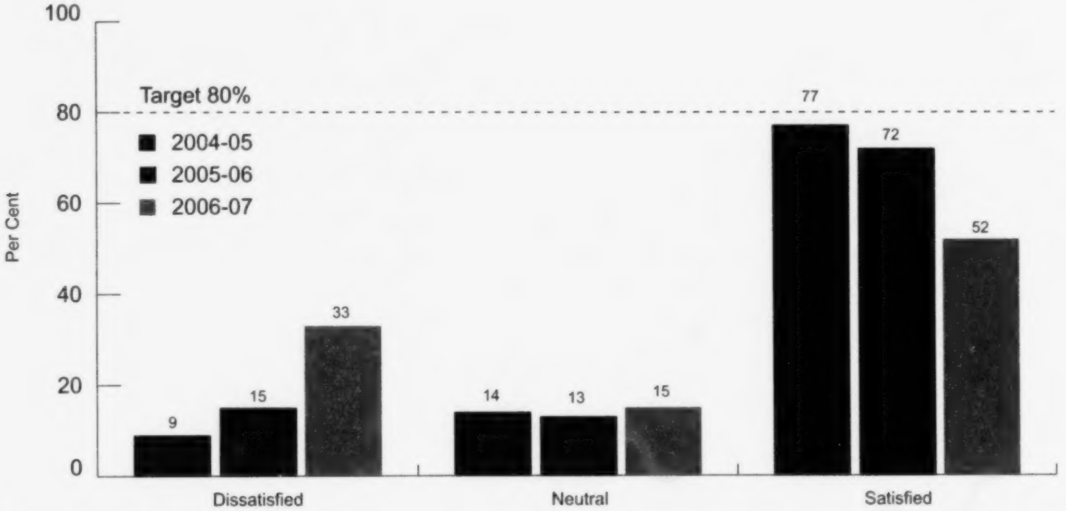
Client satisfaction with services provided by registry agents met the target of 85 per cent while at 52 per cent, satisfaction with Land Titles Offices was below the 80 per cent target. At 78 per cent, satisfaction with the level of service provided by registry online service providers was below the target of 85 per cent.

Registry Agents



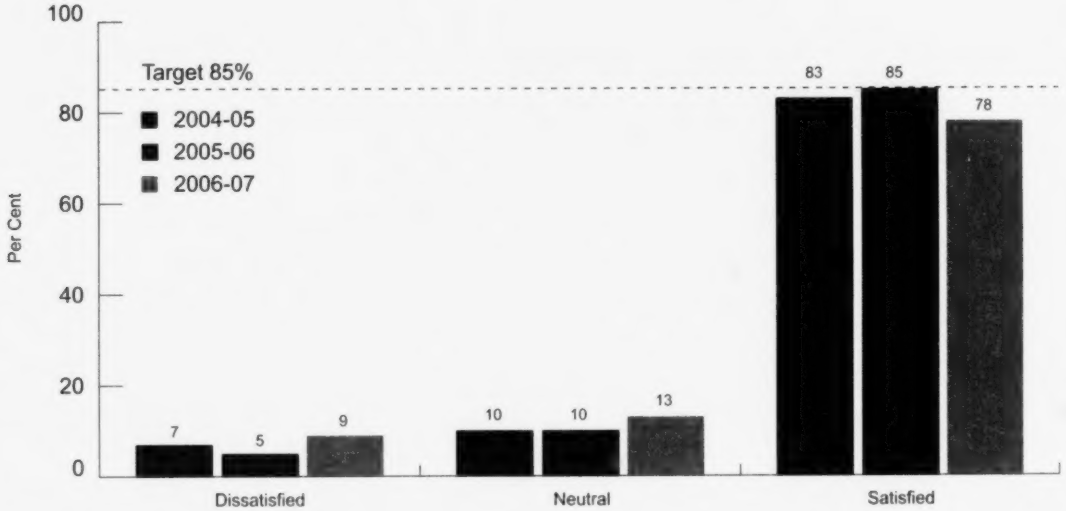
Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Land Titles Offices



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Registry Online Services



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Analysis

Customer demand for ministry services continued to escalate while the robust Alberta economy put pressure on service delivery channels. In 2006-07, the number of registry transactions was more than 17.5 million.

In spite of high demand, client satisfaction with registry agents remained strong, exceeding the 85 per cent target. Various agent accreditation and training programs continue to be offered as the ministry works with the agent network to maintain high satisfaction ratings.

At 52 per cent, satisfaction with Land Titles services dropped in comparison to the prior year. Unprecedented economic growth has led to a drastic increase in land titles transactions and a corresponding increase in document examination and registration times. In response, the ministry is dedicating additional resources to address the increasing transaction demand and ultimately improve service delivery and satisfaction ratings with Land Titles services

Registry online services achieved client satisfaction ratings of 78 per cent, which falls below the ministry's target of 85 per cent. However, it should be noted that the registries online staff have been assigned a new audit role. Therefore, an unfavourable audit of a registries online subscriber by registries online staff could influence the subscriber's perception of satisfaction.

In 2007-08, the registry online services satisfaction measure will be removed due to the new audit role of registries online staff and the possible satisfaction bias associated with an unfavourable audit of a registries online subscriber.

1.C Comparison of Alberta's fees to other jurisdictions to:
- **Renew registration on a Dodge Caravan**
- **Renew a driver's licence**

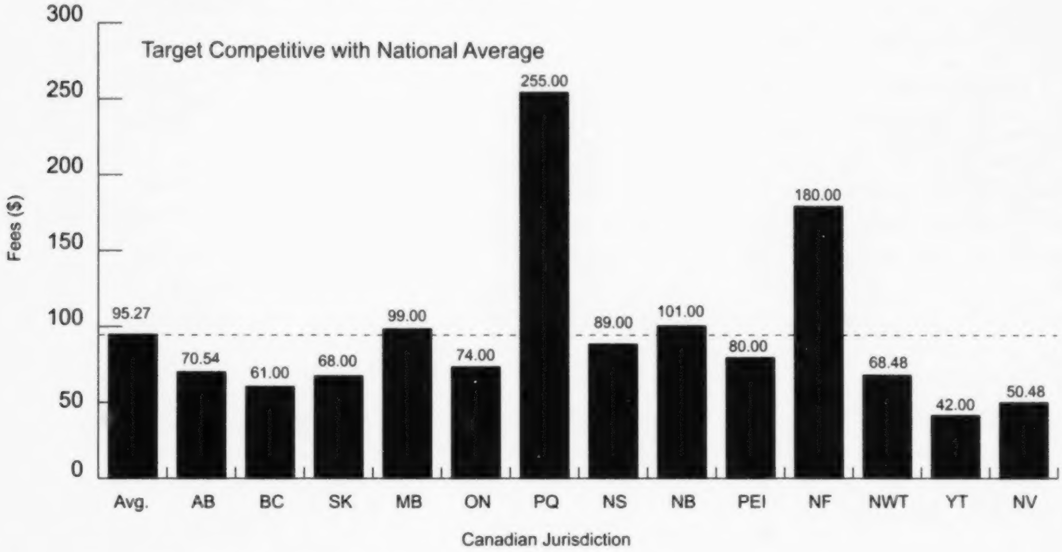
Description
In demonstrating the Alberta Advantage, the ministry works to ensure that Alberta's registry fee structure remains competitive with other Canadian jurisdictions. One area of comparison is the review of Alberta motor vehicle fees, where the cost of registering a vehicle and renewing a driver's licence was compared on a standardized national basis. The target is that Alberta's fees* remain competitive with the national average.

* *Note that "fees" in this analysis represents all associated charges that must be paid by the consumer to acquire the service. This includes all provincial/territorial government fees, taxes and service charges.*

Results
The results of the fee comparison indicated the target has been met as Alberta's fees for these products remain competitive with national average.

- The vehicle registration fee for a Dodge Caravan: 26 per cent below the national average. The fee was 27 per cent below in 2005-06.
- The driver's licence renewal fee: 29 per cent below the national average. The fee was 29 per cent below in 2005-06.

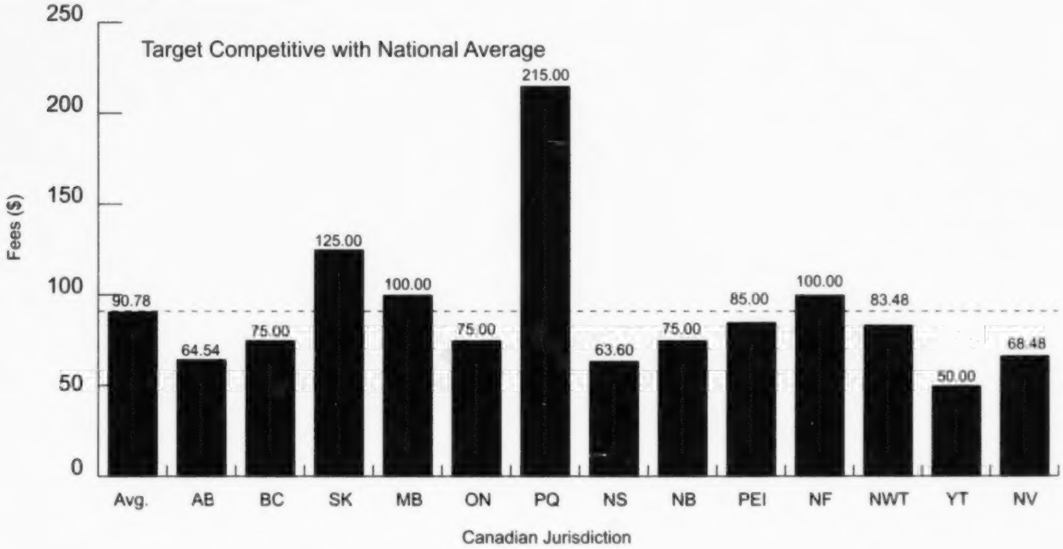
Vehicle Registration Comparison - Dodge Caravan*



Source: Service Alberta Cross-Jurisdictional Fee Comparison

*** Survey was standardized for comparative purposes to represent the annual fee charged to renew a Dodge Caravan minivan weighing 1,880 kilograms in an urban area (includes service/administration fees).**

Drivers License Comparison*



Source: Service Alberta Cross-Jurisdictional Fee Comparison

*** Survey was standardized for comparative purposes to represent the five-year renewal fee for a driver's license with no demerits (includes service/ administration fees) as this represents the renewal option chosen by the majority of Albertans.**

Analysis

Alberta's fees for motor vehicle licensing and registration remain competitive in comparison to other Canadian jurisdictions.

1.D Comparison of Alberta's fees to other jurisdictions to register a $150,000 house with a $140,000 mortgage.

Description

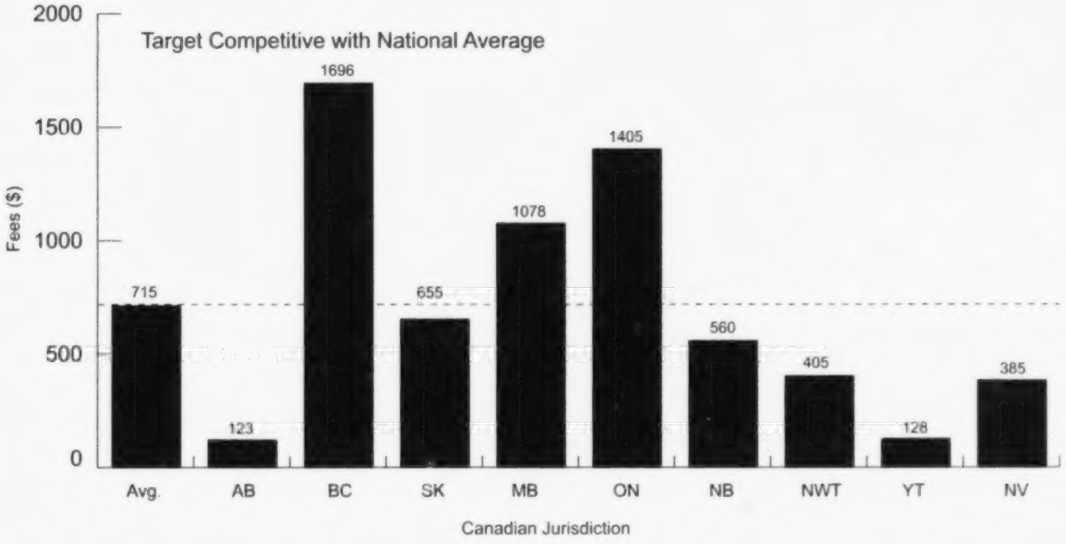
The ministry contributes to Alberta's real estate market by ensuring that Land Titles products are priced competitively with other jurisdictions. While each jurisdiction incorporates different requirements and products in their land registration process, a standardized approach has been developed for this measure that compares a common set of products required to purchase and register a home with a mortgage. The target is to ensure Alberta's fees* remain competitive with the national average.

* *Note that "fees" in this analysis represents all associated charges that must be paid by the client to acquire the service. This includes all provincial government fees, taxes, and service charges.*

Results

The cost in Alberta for this service (sum of all three products) is $123. At 83 per cent below the national average, the target has been met.

Land Title Fee Comparison*



Source: Canadian Conference of Land Titles Officials Jurisdiction Update

*** Represents the total cost of provincial/territorial government services typically required to legally purchase a $150,000 house with a $140,000 mortgage. To ensure comparability, only provinces using the Torrens Land System were included. To reflect the complete end cost to consumers, the cost of provincial land taxes charged in British Columbia ($1,500), Manitoba ($900), Ontario ($1,225) and New Brunswick ($375) has been added to the total government fees.**

Analysis

Compared to other jurisdictions, Alberta continues to have the lowest overall land title fees, which further promotes a prosperous Alberta economy.

1.E Comparison of Alberta's fees to other jurisdictions on collection agency licence and direct selling licence.

Description

In this measure, Alberta fees for certain business licences are compared to other Canadian jurisdictions. The licences selected for comparison are those determined to be most reflective of marketplace demand in the province:

- Collection Agency Licence
- Direct Selling Licence

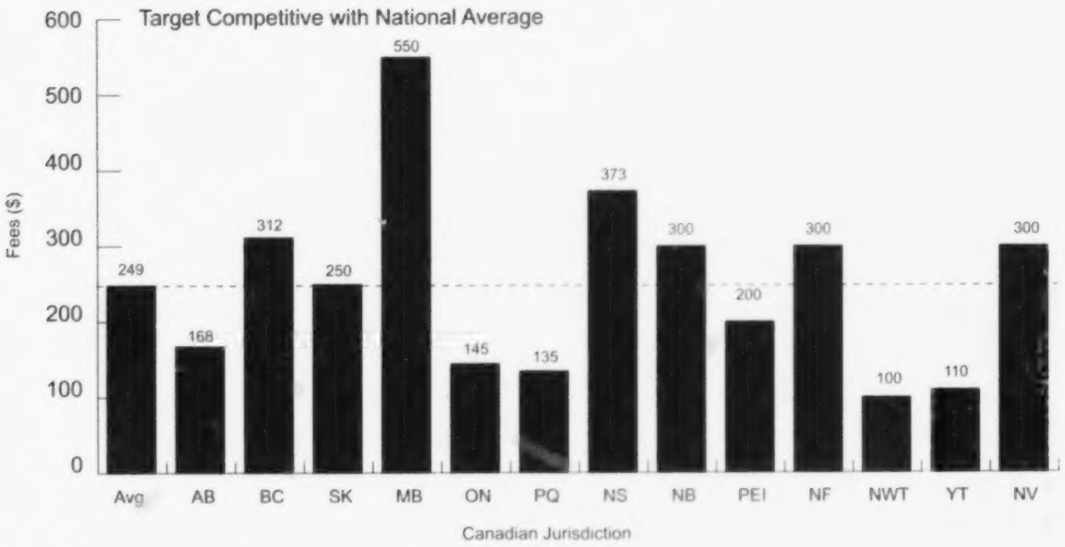
The target is that Alberta's fees* remain competitive with the national average.

* *Note that "fees" in this analysis represents all associated charges that must be paid by the consumer to acquire the service. This includes all provincial/territorial government fees, taxes and service charges.*

Results

- The Collection Agency Licence fee in Alberta is 33 per cent below the national average. The fee was 33 per cent below in 2005-06.
- The Direct Selling Licence fee in Alberta is 15 per cent below the national average. The fee was 15 per cent below in 2005-06.

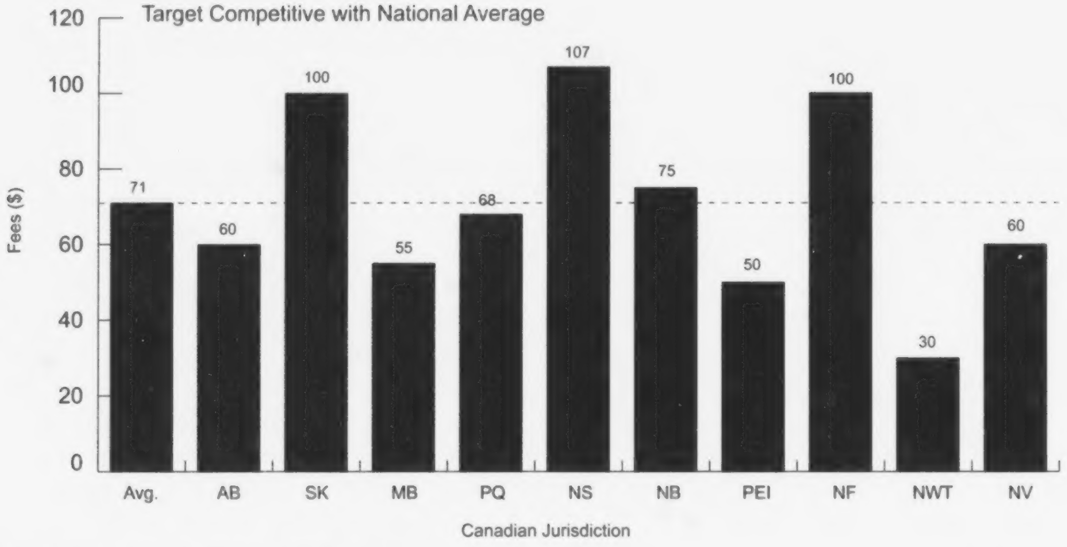
Collection Agency Licence Fee*



Source: Service Alberta Cross-Jurisdictional Fee Comparison

* The minimum annual fee for a collection agency licence in each Canadian jurisdiction (either a new licence or a renewal, whichever was lower, regardless of company size) was compared.

Direct Seller Licence Fee*



Source: Service Alberta Cross-Jurisdictional Fee Comparison

* The minimum annual fee for a direct seller licence charged to sole proprietors, or corporations, as compared across jurisdictions. To ensure comparability, only those jurisdictions who provide a comparable direct sellers licence are included.

Analysis

Alberta's licensing fees continue to be competitive with national averages and other jurisdictions, which supports a prosperous and business friendly economy.

GOAL 2

Efficient and convenient access to government information and services.

Overview

The Service Alberta Initiative (now known as the Citizen Services Initiative) enables Albertans to access government information and services in a manner of their choice. Specific objectives are to provide Albertans with secure, timely, accessible, integrated and quality services from the Government of Alberta

Performance Measures

2.A Percentage of Albertans surveyed who are satisfied with access to Government of Alberta services and information.

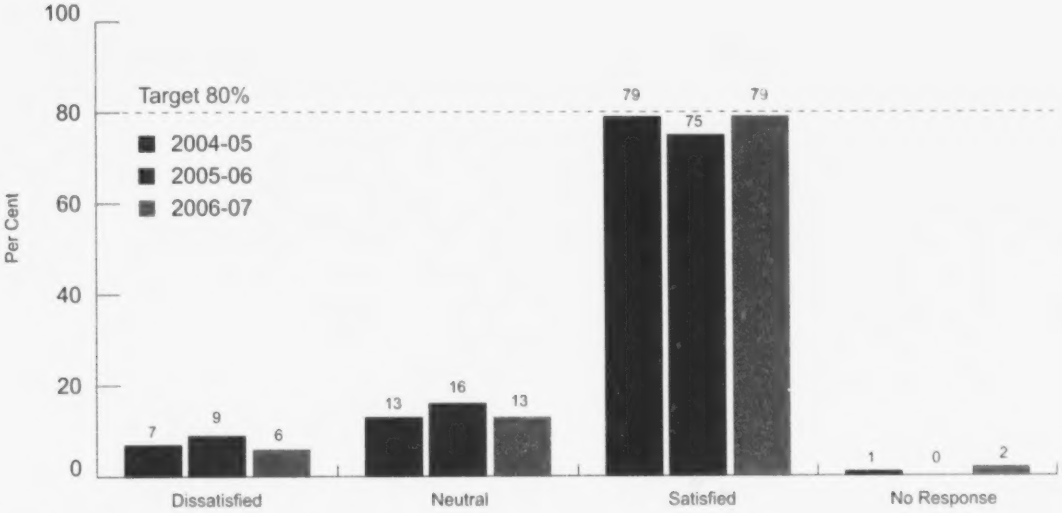
Description

Providing Albertans with accessible, integrated and quality services from the Government of Alberta continues to be a key objective of the Service Alberta Initiative. This measure surveys Albertans' overall satisfaction with their ability to access government services whether online, by telephone, by mail, by fax or in person.

Results

The majority, or 79 per cent, of respondents indicated satisfaction with access to Government of Alberta information and services. The 2006-07 target was 80 per cent. The result was 75 per cent in 2005-06.

Satisfaction with Access to Government of Alberta Services and Information



Source: 2004-05, 2005-06 and 2006-07 Research Innovations

Analysis

Satisfaction among those who actually accessed or tried to access Government of Alberta information and services remains high, with 79 per cent of respondents indicating they are satisfied with their ability to access information and services. In nearly meeting the 80 per cent target, the ministry demonstrates its strong commitment to ensuring Albertans have convenient access to government services.

2.B Percentage of Albertans surveyed who are satisfied with the timeliness of Government of Alberta services and information.

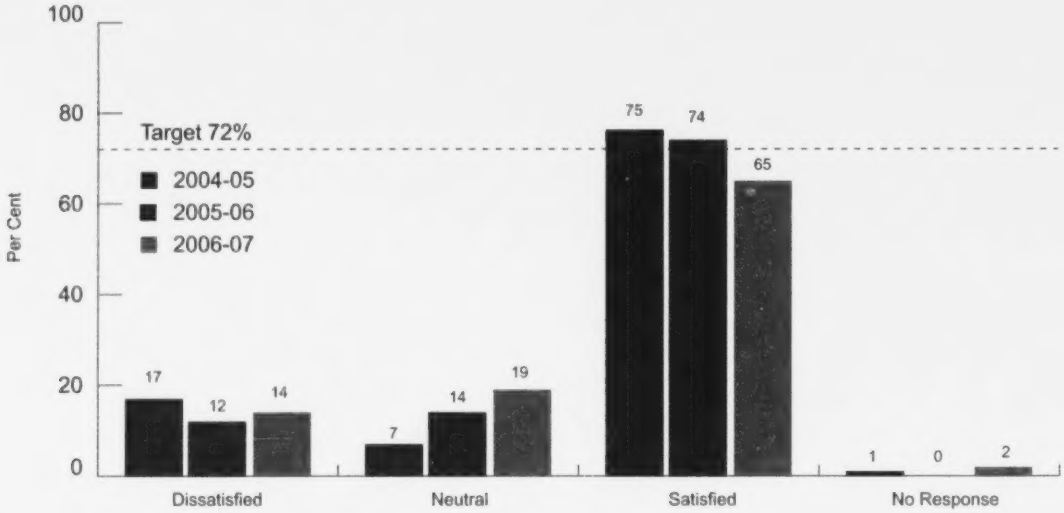
Description

Providing Albertans with timely, effective and relevant services and information from the Government of Alberta is a key objective of the Service Alberta Initiative. This measure surveys Albertans' overall satisfaction with the timeliness of services and information provided to them whether online, by telephone, by mail, by fax or in person.

Results

The majority, or 65 per cent, of respondents indicated satisfaction with the timeliness of Government of Alberta information and services. The 2006-07 target was 72 per cent.

Satisfaction with Timelines of Government of Alberta Services and Information



Source: 2004-05, 2005-06 and 2006-07 Research Innovations

Analysis

At 65 per cent, the majority of respondents are satisfied with the timeliness of information and services provided by the Government of Alberta. Meeting expectations of rapid service delivery is an ongoing challenge, especially given the number of new citizens in the province requiring immediate assistance from government in order to establish their lives here. It is a ministry priority to improve the efficient delivery of information and services.

2.C Percentage of Albertans who are satisfied using the Service Alberta Call Centre to access and obtain government information.

Description

This measure rates Albertans' satisfaction with using the Service Alberta Initiative Call Centre to access and obtain government information.

Results

At 97 per cent, the vast majority of respondents indicated satisfaction with using the Service Alberta Initiative Call Centre to access and obtain government information, which almost meets the target of 98 per cent.

Satisfaction with the Service Alberta Call Centre (98% Target)

Year	2004-05	2005-06	2006-07
Percentage of Clients Satisfied	99%	98%	97%

Source: Service Alberta Call Centre Annual Statistical Report

Analysis

The vast majority of Service Alberta Initiative Call Centre clients are satisfied. At 97 per cent satisfaction, the result is comparable to the prior year and almost met the target of 98 per cent. Moving forward, the ministry will continue to look for ways to improve service and maintain high levels of client satisfaction.

In 2007-08, this satisfaction measure will be removed in order to develop a revised methodology.

Core Business Two: Support a fair and effective marketplace in Alberta

GOAL 3

Informed consumers and businesses and a high standard of marketplace conduct

Overview

Effective legislative frameworks, consumer awareness initiatives and reviews of marketplace practices are essential in supporting a dynamic and growing marketplace in Alberta, where consumers and businesses can be confident they are conducting business transactions in a fair environment.

Activities and Achievements

Performance Measures

3.A Percentage of ministry call centre clients surveyed (consumer-related) who are "satisfied overall" with the quality of service received.

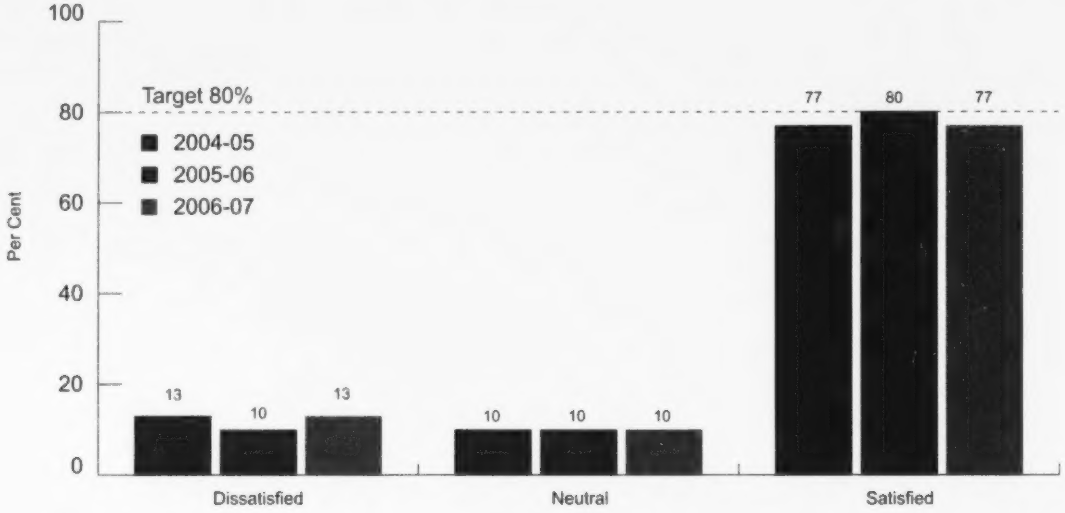
Description

The call centre responds to inquiries on both registries- and consumer-related issues. Client satisfaction with calls related to consumer inquiries and consumer protection concerns ranging from residential tenancies to fair trading issues are included in this measure. However, this measure does not include calls directed to the Utilities Consumer Advocate.

Results

The majority, or 77 per cent, of those people surveyed expressed satisfaction with the consumer-related services provided which almost meets the target of 80 per cent. The result was 80 per cent in 2005-06.

Consumer Call Centre Satisfaction



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Analysis

Client satisfaction with the services provided by the call centre almost met the 80 per cent target. Despite increasing complexity in consumer issues, results remain high, demonstrating the ministry's commitment to provide high quality government services. The ministry will continue to look for ways to improve service quality in order to maintain acceptable levels of client satisfaction.

3.B Percentage of clients surveyed who are likely to recommend investigative services to a friend.

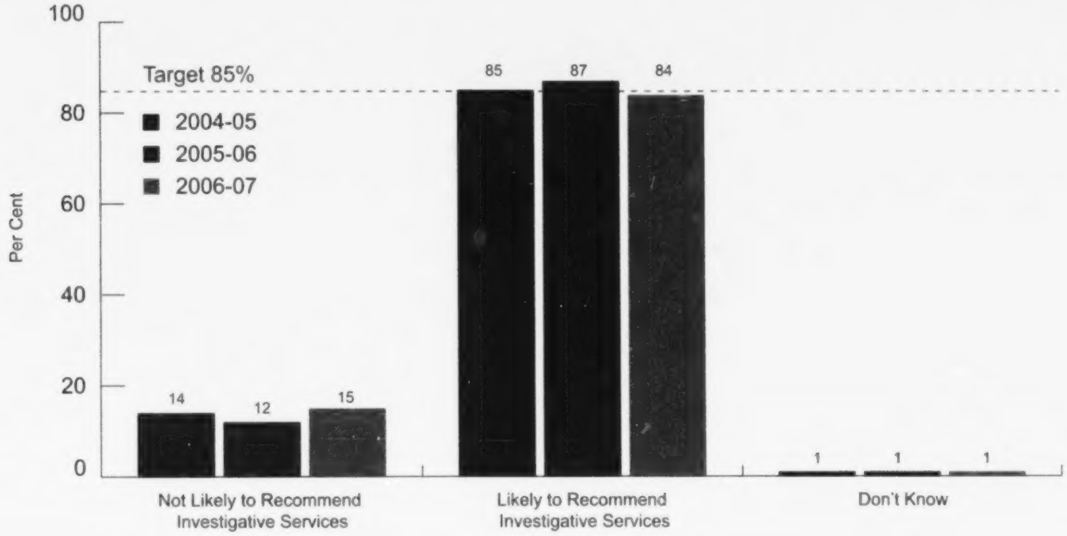
Description

The ministry works to ensure a fair and effective marketplace for consumers and businesses by delivering quality investigative services. Albertans' likelihood to recommend services provided by the Consumer Services investigation teams is assessed by this measure.

Results

Results indicate that 84 per cent of respondents were likely to recommend investigative services to a friend, slightly below the target of 85 per cent.

Likelihood of Recommending Investigative Services



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Analysis

At 84 per cent, the majority of respondents were likely to recommend investigative services to a friend, which almost meets the target of 85 per cent. The ministry will continue to look for ways to improve investigative services and increase satisfaction.

3.C Percentage of clients surveyed who are satisfied with the quality of tipsheet information.

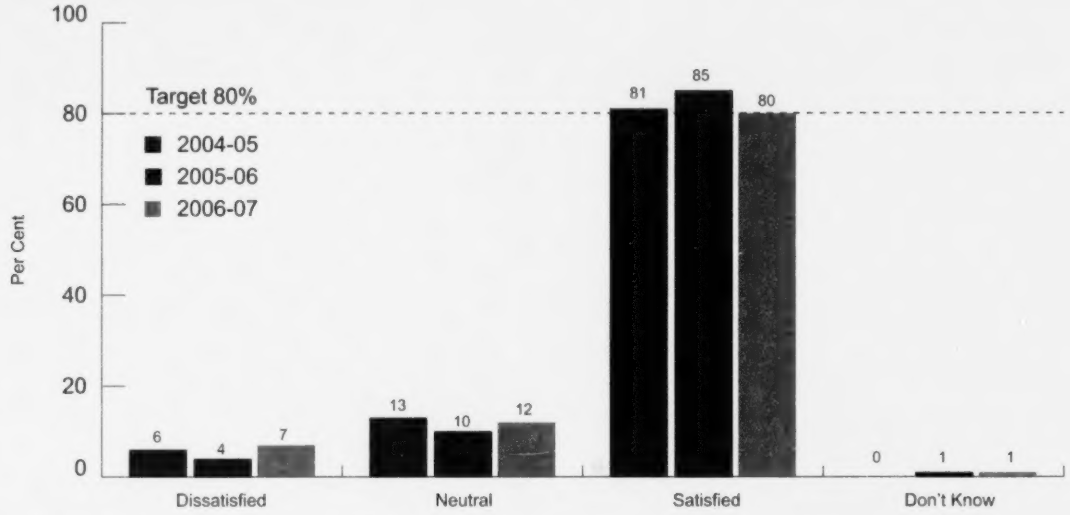
Description

Service Alberta develops and distributes tipsheets to educate and promote well-informed consumers and businesses. The ministry currently has an inventory of more than two dozen different tipsheets that help ensure Albertans have access to relevant and effective consumer protection information. Albertans are also regularly canvassed to ensure that tipsheet content continues to be useful and comprehensive.

Results

Clients remain highly satisfied with tipsheets at 80 per cent satisfaction, which meets the target of 80 per cent.

Satisfaction with Tipsheets



Source: 2004-05, 2005-06 and 2006-07 Synovate Research

Analysis

Client satisfaction with Service Alberta tipsheets is comparable to the prior year and met the target of 80 per cent. In addition, the majority of recipients (59 per cent) who were satisfied with the tipsheet they received reported that it answered all their questions and helped them resolve their problems.

The ministry will continue to look for ways to improve tipsheet content and ensure it continues to meet the needs of Albertans.

GOAL 4

Effective advocacy of Albertans' interests in the restructured utilities market

Overview

The Office of the Utilities Consumer Advocate (UCA) represents the interests of the small retail consumer (i.e., residential, farm and small commercial) in Alberta's restructured utility markets. Key responsibilities are to provide information and promote understanding of the restructured electricity and natural gas markets.

Performance Measures

4.A Percentage of Albertans surveyed aware of the role/services provided by the Utilities Consumer Advocate.

Description

A measure of Albertans' awareness of the UCA.

Results

Results indicate 25 per cent of respondents were aware of the role/services provided by the UCA. The 2006-07 target was 40 per cent.

Awareness of the Utilities Consumer Advocate (40% Target)

Year	2004-05	2005-06	2006-07
Percentage of Albertans Aware	31%	30%	25%

Source: 2004-05, 2005-06 and 2006-07 Environics Research Group

Analysis

Awareness of the role/services provided by the Office of the Utilities Consumer Advocate (UCA) did not meet the 40 per cent target. Due to the growing economy, housing and rental concerns have dominated consumer priorities. As a result, the top-of-mind awareness around utility issues may not be as high as seen in the recent past. However, the ministry recognizes that increased awareness can help the UCA be more effective. Consequently, the ministry directed specific resources towards consumer and marketplace communications in order to address awareness issues.

In 2007-08, this awareness measure will be removed due to the changing priorities of Service Alberta.

4.B Percentage of contact centre customers surveyed "satisfied overall" with services received.

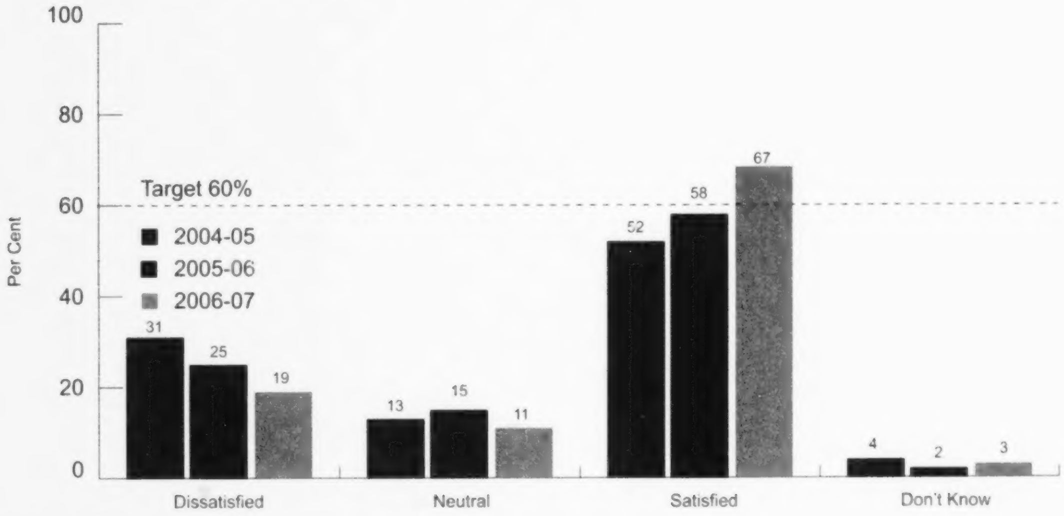
Description

This measure focuses on client satisfaction with those who have contacted the UCA Contact Centre regarding their concerns about utility issues.

Results

The majority, or 67 per cent, of respondents were satisfied with the quality of service received through the contact centre. The 2006-07 target was 60 per cent. The result was 58 per cent in 2005-06.

Utilities Consumer Advocate Call Centre Satisfaction



Source: 2004-05, 2005-06 and 2006-07 Leger Marketing

Analysis

Demonstrating an increasing trend in client satisfaction, results exceeded the 60 per cent target. A third (33 per cent) of clients who were satisfied overall with the UCA Contact Centre cited the helpfulness of staff as the key reason for their satisfaction, up from 18 per cent in 2005-06. Therefore, the overall satisfaction increase in 2006-07 can be partly attributed to the UCA Contact Centre staff being more helpful than in previous years

In 2007-08, this satisfaction measure will be removed due to the changing priorities of Service Alberta.

Core Business Three: Provide strategic leadership in information management and access and privacy protection

GOAL 5

Effective programs and services for information management, access to information and protection of privacy

Overview

The department guides ministries in delivering their programs by providing a corporate framework for information management, access to information and protection of privacy. These activities help protect Albertans' privacy and ensure they have appropriate access to information.

Performance Measures

5.A Performance Measure: Percentage of *Freedom of Information and Protection of Privacy Act* requests completed by government public bodies within 60 days or less.

Description

The ministry provides tools, advice and support to assist government public bodies in successfully handling their *Freedom of Information and Protection of Privacy Act* (FOIP) requests. In order to track the compliance of government public bodies with the access provisions of FOIP, the percentage of FOIP requests completed on a timely basis (within legislative guidelines) is assessed. The target is greater than 90 per cent of requests completed within 60 days.

Results

At 96 per cent, the vast majority of FOIP requests were completed within 60 days (94 per cent in 2005-06).

FOIP Requests Handled Within 60 Days (Over 90% Target)

Year	2004-05	2005-06	2006-07
Percentage of Requests Handled Within 60 Days	94%	94%	96%

Source: Service Alberta, Access and Privacy Branch Annual FOIP Statistical Report

Analysis

With 96 per cent of requests being handled within 60 days, the target of 90 per cent was met. This result confirms that Albertans have effective access to information and demonstrates that the government is complying with the *Freedom of Information and Protection of Privacy Act*. Since the complexity and number of requests received by government continue to increase annually, this result represents a significant achievement.

5.B Performance Measure: Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.

Description

Government public bodies are supported in successfully handling their FOIP requests with training and advice provided by the ministry. This measure rates the number of requests handled without complaint against the target of more than 90 per cent.

Results

Most (99 per cent) FOIP requests received were handled without complaint. The result was 98 per cent in 2005-06.

FOIP Requests Handled Without Complaint (Over 90% Target)

Year	2004-05	2005-06	2006-07
Percentage of Requests Handled Without Complaint	95%	98%	99%

Source: Service Alberta, Access and Privacy Branch Annual FOIP Statistical Report

Analysis

Based on the 2006-07 results, client satisfaction with the request process and outcomes remains extremely high. The ministry's efforts to support FOIP staff throughout government have been successful as evidenced by the low number of complaints (one per cent of 3,316 FOIP requests). These results highlight the level of openness and transparency that Albertans can expect from their government.

Core Business Four: Business innovation

GOAL 6

Develop and deliver initiatives that directly improve the delivery of programs and services to Albertans.

Overview

This goal reflects the ministry's commitment to drive innovation and streamline processes across government to provide seamless, easily accessible and secure program and service delivery to Albertans.

6.A Performance Measure: Number of computer applications that use the Alberta Secure Access Service.

Description

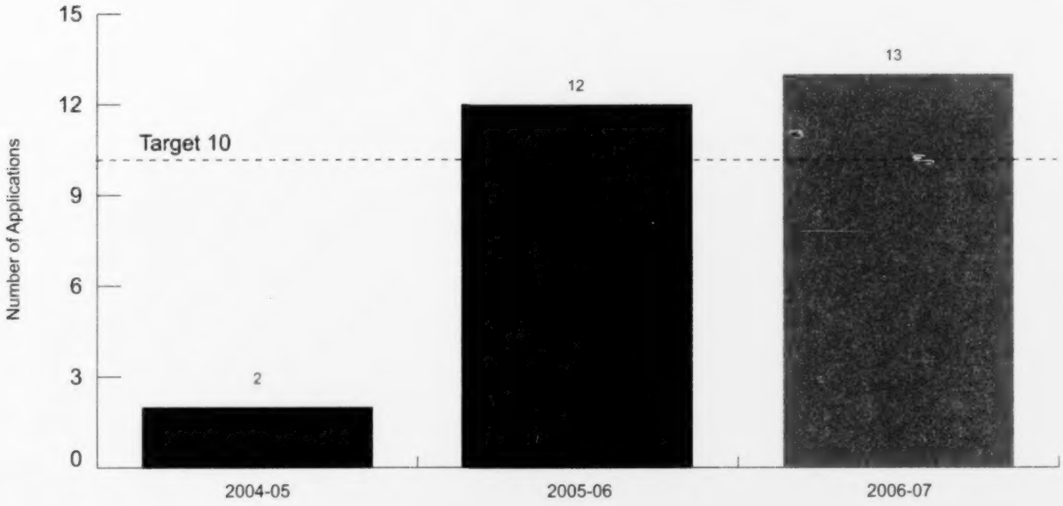
This measure focuses on the number of computer applications requiring authentication or access controls to ensure sensitive information entrusted to government is protected. Authentication through the Alberta Secure Access Service (ASAS) is a critical enabler for the delivery of electronic services both internally and externally.

As government looks at new ways of delivering programs and services to Albertans, there is a need to develop sufficient and consistent standards to protect the information that is co-ordinated across government. This cross-government framework enhances and improves service delivery to Albertans by providing a standardized computer network infrastructure to protect information collected by the Government of Alberta.

Results

Thirteen computer applications were using the Alberta Secure Access Service in 2006-07, which exceeds the target of 10 applications using the Alberta Secure Access Service and is greater than the previous year's result.

Applications Using the Alberta Secure Access Service



Source: Service Alberta, Enterprise Services

Analysis

Service Alberta works with ministries to comply with Alberta Secure Access Service standards by authenticating new applications.

As part of the ASAS initiative, the Application Security Integration Service (ASIS) has had a positive impact on the new integration work. The work can now be reduced as a number of connection points to ASAS are already established by ASIS, which should help Service Alberta meet the needs of ministries in the coming fiscal year.

6.B Performance Measure: Number of organizations that use the SuperNet for Internet Protocol (IP) videoconferencing.

Description

Service Alberta anticipates that a majority of the organizations that are currently connected to SuperNet will require the ability to videoconference in the future. By establishing core infrastructure and standards, the ministry has made it more effective and efficient for individual organizations to implement a videoconferencing solution and host multi-participant conferences.

The development of the core infrastructure for videoconferencing is one initiative that will improve the delivery of programs and services to Albertans and enhance the Alberta SuperNet by improving the value to be returned to the citizens of Alberta.

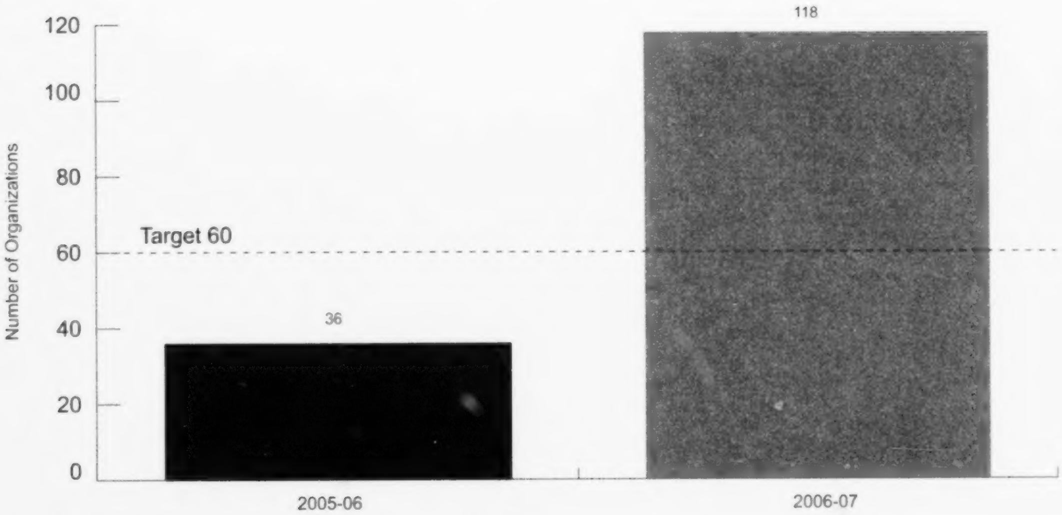
Results

In 2006-07, 118 organizations used the SuperNet for IP videoconferencing. The target of 60 organizations was exceeded.

Organizations utilizing IP videoconferencing include:

- 15 government organizations
- 9 health organizations
- 85 learning organizations
- 9 library organizations

Organizations that use SuperNet for IP Videoconferencing



Source: Service Alberta, Technology Services

Analysis

Videoconferencing through the SuperNet increased at a rate quicker than expected. As the ministry began to connect organizations to the core IP videoconferencing infrastructure, interest increased in other organizations.

Core Business Five: Government efficiency

GOAL 7

Provide strategic leadership in corporate service delivery and improve efficiency within the Government of Alberta and across ministries.

Overview

The government is accountable to Albertans to operate efficiently and effectively. Service Alberta committed to take a lead role in identifying and assessing opportunities to streamline and gain efficiencies in the business of government.

7.A Performance Measure: Invoices paid electronically

Description

Measuring the number of invoices paid electronically relates to improving government efficiency, as electronic invoicing streamlines payment processes and gains efficiencies within the Government of Alberta and across ministries. The convenience of processing invoices electronically is expected to ultimately decrease time devoted to administrative payment tasks within ministries using the shared service.

Results

In 2006-07, 853,235 invoices were paid electronically.

Thousands of Invoices Paid Electronically

Year	2005-06*	2006-07*
Number of Invoices	823	853

Source: Service Alberta, Financial Services Division, Electronic Payment System, Exclaim and IMAGIS AP Reporting

* Due to a change in methodology, results presented are not comparable to the target of 1,000,000 in Restructuring and Government Efficiency's 2006-09 business plan.

Analysis

The 2006-07 result increased by almost 30,000 electronically paid invoices from the previous year. This increase is primarily due to the generation of efficiency initiatives that built on the Alberta Government's investment in its financial, human resources and procurement system, the Alberta Government Integrated Management Information System (IMAGIS). IMAGIS Recurring Vouchers were introduced as an automated process to pay vendors for equipment rentals in April 2006.

7.B Performance Measure: Percentage of technology services budget spent on services delivered through the Information and Communications Technology (ICT) Service Co-ordination Model

Description

This measure of the percentage of budget spent on shared infrastructure services versus total budget is an indicator of progress in moving ministries to the standard shared environment. As ministries move from their ministry-specific technical environments to the ICT Services standardized Government of Alberta environment, they are moving towards a one-government approach to IT service provision. Service Alberta currently delivers distributed computing and other services to multiple ministries based on Government of Alberta standards.

Results

In 2006-07, 31 per cent of technology services budget was spent on services delivered through the ICT Service Co-ordination Model.

Technology Services* Budget Spent on Services Delivered Through the ICT Service Co-ordination Model	
Year	**2006-07****
Per Cent of Budget	31%

Source: Service Alberta, Technology Services Division

* Technology Services budget refers to the budget for information and communications technology infrastructure services provided by Service Alberta to other ministries.

** Due to a change in methodology, the target of 23% is not comparable to 2006-07 Results.

Analysis

Further progress is expected for 2007-08, as more ministries migrate to the shared Government of Alberta (GoA) Domain. As Service Alberta is committed to the ICT Service Co-ordination Initiative, a new measure of number of adoptions of service bundles established by this initiative was included in the 2007-10 business plan.

7.C Performance Measure: Percentage of government employees that use the Government of Alberta (GoA) Domain.

Description

The GoA Domain refers to common information and communications technology services including: messaging services, distributed file and print services, customer support services and infrastructure management.

Since Service Alberta is committed to provide integrated and shared IT solutions to improve the effectiveness and efficiency of business operations in government, this measure is a key indicator of Service Alberta's ability to deliver common shared infrastructure services that meet department requirements.

Results

In 2006-07, 47 per cent of government employees were using the GoA Domain. The target of 28 per cent was exceeded.

Percentage of Government Employees that use the GoA Domain (28% Target)	
Year	**2006-07***
Per Cent of Budget	47%

Source: Service Alberta, Technology Services Division

* This is the first year this measure is reported.

Analysis

Due to an increased need for common shared solutions that facilitate collaboration and improve efficiencies within the GoA Domain environment, a far greater number of employees were migrated to the GoA Domain than expected. As Service Alberta is committed to implementing a corporate approach to information technology, a target of 75 per cent is set for 2007-08 in the 2007-10 business plan.

Core Business Six: Service excellence

GOAL 8

Build and maintain excellence in delivering shared services to ministries and partners.

Overview

The Ministry of Service Alberta has a unique role in supporting integrated and shared services for ministries across government. Where Service Alberta is responsible for delivery of services to ministries, Service Alberta will build and maintain service excellence.

8.A Performance Measure: Percentage of ministries satisfied with the overall quality of common administrative services provided.

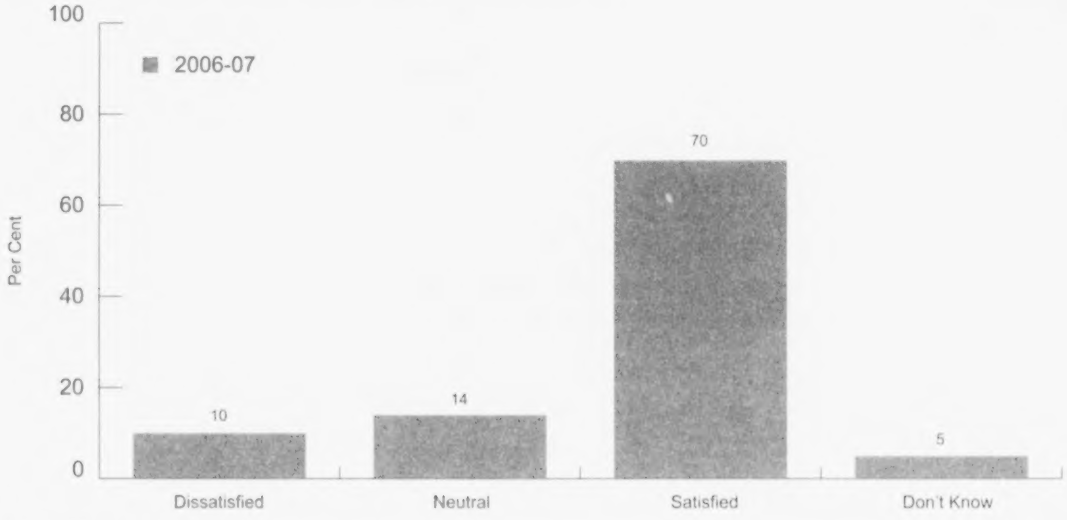
Description

Service Alberta aims for excellence in the delivery of administrative services to GoA employees and contracted employees who use its programs and services. This measure of satisfaction enables Service Alberta to monitor and report on the degree to which its clients are satisfied with Service Alberta's service provision. In reference to this measure, "ministries" refers to clients within a ministry that receive services from Service Alberta, not the actual ministry or department.

Results

In 2006-07, 70 per cent of clients surveyed were satisfied with services provided by Service Alberta.

Client Satisfaction with Services from Service Alberta



Source: 2007, Nichols Applied Management

* Due to a change in survey methodology, 2006-07 client satisfaction data is not comparable to the target of 83% in Restructuring and Government Efficiency's 2006-09 business plan.

Analysis

Most clients surveyed were satisfied with the services they received from Service Alberta. However, a large number of clients responded that they didn't know how satisfied they were with the services they received from Service Alberta. This could be related to a lack of awareness due to the recent creation of the ministry. Of those surveyed who stated an opinion (those who gave a rating of dissatisfied, neutral or satisfied), 74 per cent were satisfied with services received from Service Alberta.

8.B Performance Measure: Percentage of Restructuring and Government Efficiency employees who agree that the ministry provides the support they need to acquire or develop knowledge or skills in their current job.

Description

In order to improve service excellence in delivering shared services to ministries and partners, Service Alberta is committed to improving employee capacity to provide effective service through increased knowledge, skills and tools.

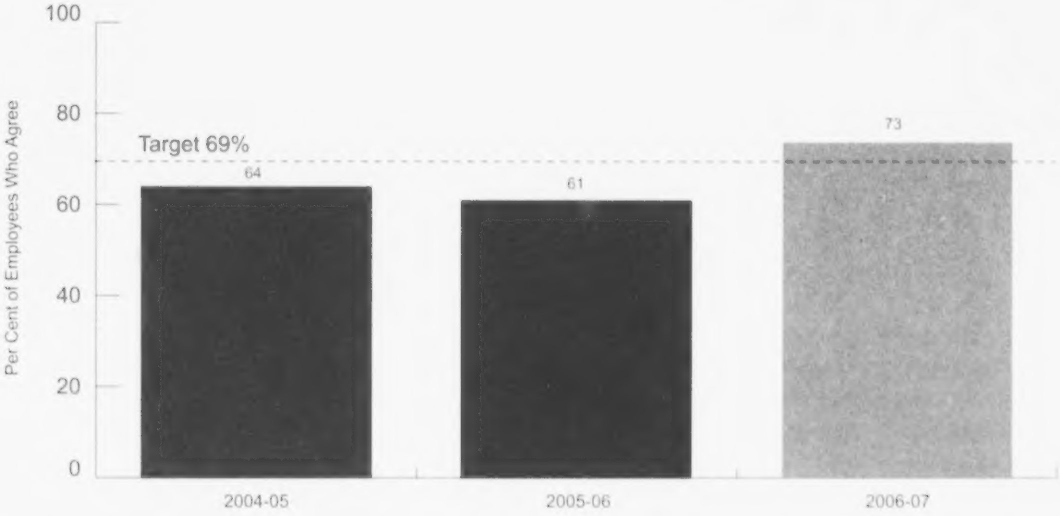
This is a measure of employee agreement that the ministry provides the support they need to acquire skills or develop knowledge to help them in their jobs.

Results

Final results indicate that 73 per cent of employees of the former ministry of Restructuring and Government Efficiency surveyed agree that the ministry supports their work related learning and development. This is up from the previous year's result of 61 per cent and it exceeds the 2006-07 target of 69 per cent for the previous question, which was "Do you agree that your organization provides support to help you acquire or develop your knowledge and skills in your current job?"

In 2006-07 the ministry undertook many ambitious human resource initiatives, including new employee training, work environment question-and-answer sessions with executive management and a full-day seminar on coping with workplace stress and enhancing the wellness of employees.

Restructuring and Government Efficiency Employee Agreement that the Ministry Provides the Support They Need to Acquire or Develop Knowledge or Skills in Their Current Job



Source: 2004-05, 2005-06 and 2006-07 Research Innovations

Analysis

Although this measure has not been included in the 2007-10 business plan, Service Alberta will continue to look for innovative ways to improve employee learning and development as a way to facilitate job enrichment.

Core Business Seven: Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs (as it relates to air and vehicle fleets)

GOAL 9

Efficiently manage the government's air and vehicle fleets

Overview

Service Alberta is responsible for delivering safe and reliable transportation services to government ministries, boards and agencies. This involves collaborating with private sector service providers for light-duty vehicles, as well as managing the remaining government-owned light-duty vehicles. The ministry also manages government aircraft and continues to provide safe, responsive and cost-effective air transportation services.

9.A Performance Measure: Client satisfaction survey – Vehicle users quality of service

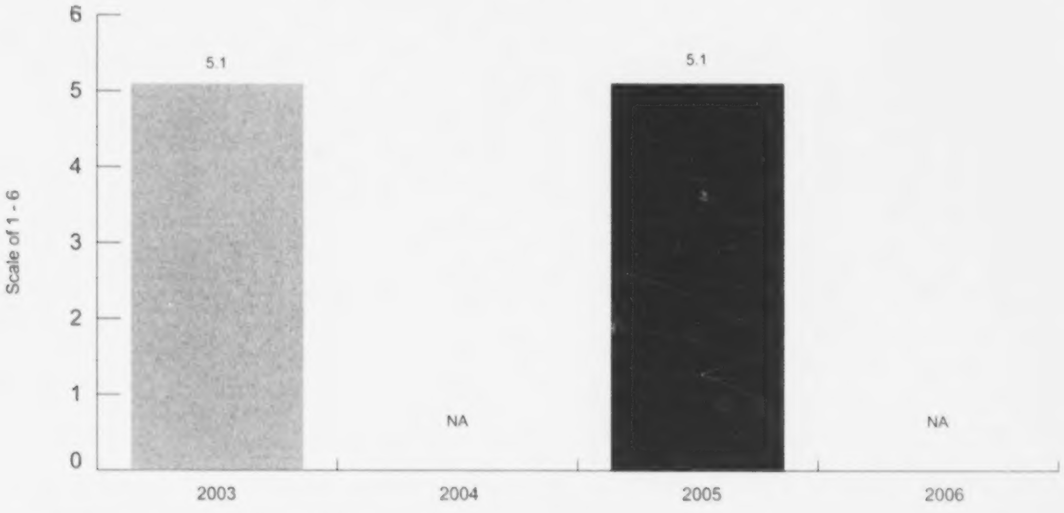
Description

The ministry partners with private sector service providers to provide safe and reliable transportation services to government ministries, boards and agencies. This measure rates client satisfaction with the overall quality of vehicle services.

Results

The survey is conducted every two years. The last survey was conducted in 2005, so no new data is available for 2006-07.

Vehicle Users Quality of Service Rating*



Source: 2003 Equus and Banister 2005 Research & Consulting Inc.

*** Survey is conducted every other calendar year.**

Analysis

In 2005, clients rated their overall satisfaction at 5.1, which corresponds to "satisfied" on the six-point scale. This result is unchanged from the last client satisfaction survey conducted in 2003.

9.B Performance Measure: Client Satisfaction Survey – Air transportation passengers quality of service

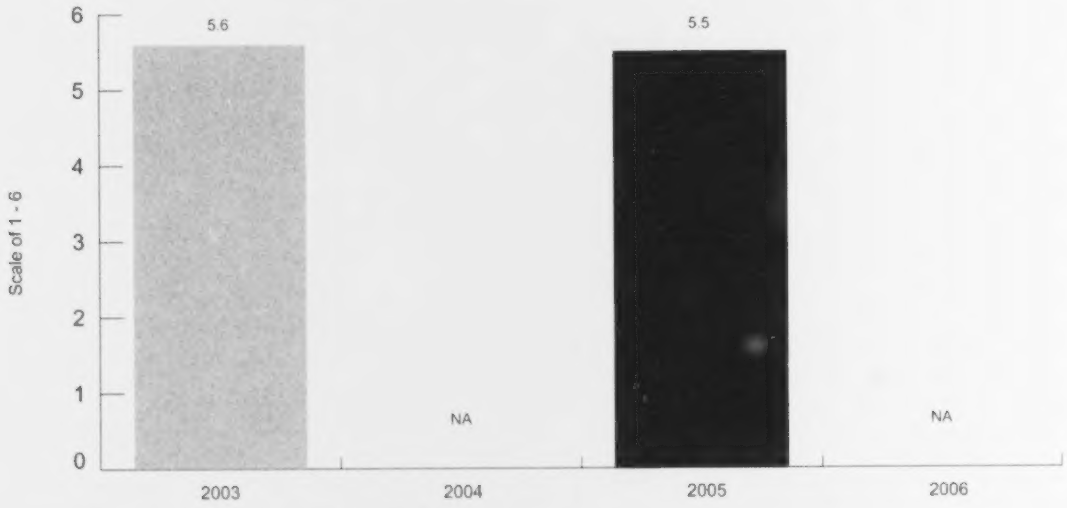
Description

The ministry manages government aircraft and continues to provide safe, responsive and cost-effective air transportation services. This measure represents satisfaction with the overall level of service as perceived by the ministry's air transportation clients.

Results

The survey is conducted every two years. The last survey was conducted in 2005, so no new data is available for 2006-07.

Air Transportation Passengers Quality of Service Rating*



Source: 2003 Equus and 2005 Banister Research & Consulting Inc.

*** Survey is conducted every other calendar year.**

Analysis

In 2005, clients rated their overall satisfaction at 5.5, which corresponds to "satisfied" on the six-point scale. This result is consistent with the result of 5.6 in 2003.

Performance Measures – Source and Methodology

1.A Performance Measure: Percentage of ministry call centre clients (registry-related) who are "satisfied overall" with the quality of service received.

A telephone survey was conducted in October and December 2006 and March 2007. Synovate, a private marketing research firm, was commissioned in 2006-07 to conduct this satisfaction research. The ministry provides Synovate with the population of callers from which to randomly sample the respondents. In 2006-07, the total sample size was 300 with a margin of error of 5.7 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

1.B Percentage of customers surveyed who are "satisfied overall" with services provided by: registry agents, Land Title Offices and registry online services.

A comprehensive satisfaction survey of clients who accessed registration and licensing products was conducted. Synovate was commissioned in 2006-07 to complete satisfaction research, which builds on results from prior years for the registry agents and land titles service delivery channels.

Each of the three main channels has its own survey instrument and methodology. The registry agents and Land Titles Offices surveying was performed in September and November 2006 and February 2007. The surveying concerning registry online services was performed in two studies conducted in September 2006 and February 2007.

In 2006-07, the total sample size for the registry agent research was 600 with a margin of error of 4.0 per cent at the 95 per cent confidence interval (or 19 times out of 20). For the Land Titles satisfaction study, the total sample size was 549 with a margin of error of 4.2 per cent at the 95 per cent confidence interval. For the online registry services satisfaction study, the total sample size was 410 with a margin of error of 4.8 per cent at the 95 per cent confidence interval.

Each survey employs a seven-point satisfaction scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

1.C Comparison of Alberta's fees to other jurisdictions to:

- **Renew registration on a Dodge Caravan**
- **Renew a driver's licence**

Ministry staff contacted provincial and territorial governments across Canada to collect information on fees for vehicle registrations and driver's licences. To facilitate a reliable and meaningful comparative analysis, two key products were identified for the Motor Vehicles registry: vehicle registration renewal and driver's licence renewal. These two products are the most common transactions, are available in a similar form in all Canadian jurisdictions and are the most familiar to the general public. Since many jurisdictions use formulas (e.g. weight of a vehicle), these registrations were put into common scenarios to standardize comparisons across all provinces. The Dodge Caravan was chosen as the vehicle for comparison since it was the most registered vehicle in Alberta at the time the performance measure was defined.

- Vehicle registration: Fee associated with the renewal of a Dodge Caravan weighing 1,880 kilograms in an urban area (service/administrative fees included).
- Driver's licence: The renewal fee to renew a driver's licence with no demerits, based on a standard five-year renewal (service/administrative fees included). A five-year renewal period was selected, as this is a common renewal timeframe selected by Albertans.

1.D Comparison of Alberta's fees to other jurisdictions to register a $150,000 house with a $140,000 Mortgage.

The Canadian Conference of Land Titles Officials (CCLTO) performs an annual study across all Canadian jurisdictions of registration costs associated with purchasing a $150,000 house with a $140,000 mortgage. Ministry staff confirmed the CCLTO data for provincial/territorial government agencies that use the Torrens system to define land ownership. Under the Torrens system, an interest in land must be duly registered with a central registry maintained by a provincial government and all registrations in the land registry are backed by the provincial government. In addition to Alberta, eight other provinces and territories use this system: British Columbia, Saskatchewan, Manitoba, Ontario, New Brunswick, Northwest Territories, Yukon and Nunavut.

To facilitate a reliable and meaningful comparative analysis, the CCLTO highlights the following key products for the Land Titles registry:

- Transfer of Title
- Registration of Mortgage
- Registration of Utility Easement

These products are also typically required when Albertans wish to purchase a home. In some jurisdictions, a land transfer tax is also included as part of registering the transfer of a title. Where applicable, this tax was also included in the analysis in order to represent an appropriate end cost to consumers.

1.E Comparison of Alberta's fees to other jurisdictions on collection agency licence and direct selling licence.

Ministry staff contacted provincial and territorial government agencies across Canada to collect information on the fees charged for various collection agency and direct seller business licences. It is important to note that Alberta charges a single, flat fee for each licence being compared. To ensure a meaningful comparison, the following assumptions were made:

Collection agency licence

Comparisons were made against the minimum business fee charged in the province or territory for either a new licence or a renewal, whichever was lower, regardless of company size.

Direct selling licence

Comparisons were made against the minimum fee charged to sole proprietors, partnerships or corporations excluding additional charges for branch or satellite offices. Where the fee was for a multi-year period, comparisons were made using the annual equivalent (e.g., $200 for a two-year licence would be $100 on an annual basis).

2.A Percentage of Albertans surveyed who are satisfied with access to Government of Alberta services and information.

Research Innovations, an independent research contractor, conducted a random telephone survey of Albertans in February and March 2007.

A representative sample was used and consisted of Albertans, 18 years of age or older. Within each geographic area of the province (as defined by postal forward sorting areas), quotas were established for the number of interviews with each age group (i.e., 18-34, 35-54, 55 years or older) and, within each age segment, for the number of contacts with males and females.

Those who actually accessed or tried to access Government of Alberta service or information in person, by telephone, on the Internet or by mail/ fax were asked to rate their satisfaction with their current ability to access Government of Alberta information and services, overall, regardless of means. In 2006-07, the total sample size was 397 with a margin of error of 4.9 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is very dissatisfied, four is neutral and seven is very satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

2.B Percentage of Albertans surveyed who are satisfied with the timeliness of Government of Alberta services and information.

Research Innovations, an independent research contractor, conducted a random telephone survey of Albertans in February and March 2007.

A representative sample was used and consisted of Albertans, 18 years of age or older. Within each geographic area of the province (as defined by postal forward sorting areas), quotas were established for the number of interviews with each age group (i.e., 18-34, 35-54, 55 years or older) and, within each age segment, for the number of contacts with males and females.

Those who actually accessed or tried to access Government of Alberta services or information in person, by telephone, on the Internet or by mail/ fax were asked to rate their satisfaction with the waiting time to deal with the person who served them. In 2006-07, the total sample size was 266 with a margin of error of 6.0 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is very dissatisfied, four is neutral and seven is very satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

2.C Percentage of Albertans who are satisfied using the Service Alberta Call Centre to access and obtain government information.

Results reflect the responses of 734 call centre users during telephone interviews conducted between April 27 and May 24, 2007. Those surveyed were selected from a total respondent list of 1,342 names compiled in April when Service Alberta Initiative Call Centre users were asked if they would participate in a satisfaction survey. The survey results were compiled internally by the ministry. The figures shown reflect the averaged results of multiple questions. Respondents were asked to choose from very, generally, not very or not at all. "Doesn't Apply" and no response replies are not included in the calculation of results.

3.A Percentage of Ministry Call Centre clients surveyed (consumer-related) who are "satisfied overall" with the quality of service received.

A telephone survey is conducted in October and December 2006, and March 2007. Synovate, a private marketing research firm, was commissioned in 2006-07 to conduct this satisfaction research. The ministry provides Synovate with the population of callers from which to randomly sample the respondents. In 2006-07, the total sample size was 301 with a margin of error of 5.6 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

3.B Percentage of clients surveyed who are likely to recommend investigative services to a friend.

A random telephone survey was conducted with clients of the Consumers Investigations unit. Synovate, a national marketing research firm, was commissioned to conduct this satisfaction research. The research was conducted in three studies, with fielding occurring in September and December 2006 and March 2007.

Three studies were undertaken to capture cases closed between:

- March and August 2006
- September and November 2006
- December 2006 and February 2007

In 2006-07, the total sample size was 401 with a margin of error of 4.9 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. Respondents were asked to rate their overall satisfaction with how their cases were handled. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

3.C Percentage of clients surveyed who are satisfied with the quality of tipsheet information.

A semi-annual telephone survey was conducted with callers who contacted the ministry call centre and received a consumer tipsheet. A private marketing research firm, Synovate, was commissioned to conduct 2006-07 satisfaction research. The ministry provides Synovate with the population of callers from which to randomly sample the respondents. Two rounds of research were conducted, the first in March 2006 and the second in September 2006. The March study contacted consumers who requested a tipsheet from the call centre between March and August 2006. The September study contacted consumers who requested a tipsheet from the call centre between September 2006 and February 2007. In 2006-07, the total sample size was 400 with a margin of error of 4.9 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The survey employs a seven-point satisfaction scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. Respondents were asked to rate their overall satisfaction with the tipsheet they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

4.A Percentage of Albertans surveyed aware of the role/services provided by the Utilities Consumer Advocate.

A telephone survey was conducted by Environics Research Group. The results of the survey are based on a probability sample of at least 1,000 adults living in Alberta. The survey was conducted by telephone from February 23 to March 2, 2007. In 2006-07, the total sample size was 1,001 with a margin of error of 3.1 per cent at the 95 per cent confidence interval (or 19 times out of 20).

The sampling method was designed to complete 1,000 interviews per survey within households randomly selected across the province of Alberta. The sample was drawn in proportion to the populations of 12 urban centres and three rural regions within the province based on information from Statistics Canada 2001 census data. From within each multi-person household contacted, respondents 18 years of age and older were screened for random selection using the most recent birthday method. The use of this technique produces results that are valid and effective as enumerating all persons within a household and selecting one randomly.

Field supervisors were present at all times to ensure accurate interviewing and recording of responses. A minimum of 10 per cent of each interviewer's work was unobtrusively monitored for quality control in accordance with the standards set out by the Canadian Association of Marketing Research Organizations. A minimum of five calls was made to a household before classifying it as "no answer." Awareness was measured using a "yes/no" question, where respondents who indicated yes were considered aware and no as unaware.

4.B Percentage of contact centre customers surveyed "satisfied overall" with services received.

Leger Marketing conducted a survey of those who contacted the contact centre from April 2006 to March 2007. The target respondents included those who provided contact information when they contacted (either by phone or mail) the contact centre.

Leger Marketing conducted 634 telephone interviews from August 1, 2006 to April 23, 2007. Approximately 2,754 names were collected by the Utilities Consumer Advocate's staff, of which 2,607 included telephone numbers. Leger Marketing conducted a reverse directory search to obtain telephone numbers for roughly 147 names for which telephone numbers were unavailable. The useable sample, including names and telephone numbers, was 2,754 callers.

Satisfaction is measured using a seven-point scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

5.A Performance Measure: Percentage of *Freedom of Information and Protection of Privacy Act* requests completed by government public bodies within 60 days or less.

All public bodies, including ministries, Executive Council, the Legislative Assembly Office, Office of the Auditor General, the Ombudsman, the Chief Electoral Officer, the Ethics Commissioner, the Information and Privacy Commissioner and agencies, boards and commissions designated in the *Freedom of Information and Protection of Privacy (FOIP) Regulation* submitted quarterly statistical reports of their FOIP requests for 2006-07.

The public bodies track FOIP requests manually or use FOIPNet, a web-based tracking application. The number of requests reported as completed in 30 days or under and 31 to 60 days are combined and reported against the total number of requests completed.

5.B Performance Measure: Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.

The Office of the Information and Privacy Commissioner uses a tracking system to log all complaints it receives under sections 65 and 53(2) of the *FOIP Act*. Public bodies track FOIP requests manually or use the FOIPNet, a web-based tracking application. The number of requests received are combined and reported against complaints received by the Commissioner's Office.

6.A Performance Measure: Number of computer applications that use the Alberta Secure Access Service.

The measure established is a record of the number of applications using the services provided by the Alberta Secure Access Service or that plan to use the service to enable authentication of the users of the designated application. The number of applications using or committing to use the service is calculated by the actual number of applications placed into the production service plus the number of applications that have committed to the Alberta Secure Access Service integration process, for which an assessment report or status report has been prepared.

The number of computer applications, which implement relevant authentication protocols or access controls, was monitored and supported by technical documents including status reports and production contracts.

Various data sources are used to compile relevant information including application integration initiatives status report, production contracts and project documentation, which includes individual project status reports, assessment reports and delivery schedules.

6.B Performance Measure: Number of organizations that use the SuperNet for Internet Protocol (IP) videoconferencing.

This measure was first introduced in the 2006-09 business plan.

The videoconferencing initiative is a cross-sector initiative and includes results from the learning and health sectors, libraries and the Government of Alberta. To ensure accuracy of the results, Service Alberta inquires quarterly with ministry technical representatives requesting the number of organizations using the SuperNet for IP videoconferencing. As the service evolves and the organizations begin to establish connection to the core infrastructure, the Service Alberta Operations Support team will monitor the connections and provide reporting as required.

For the purpose of this measure, an organization is the equivalent of a government ministry, school division, library, health and school district or regional health authority.

The following are the data sources for this measure:

- SuperNet database information to confirm the groups connected to SuperNet
- Request e-mail sent to ministry technical representatives
- Response e-mail from the technical representative
- Final spreadsheet listing the groups utilizing videoconferencing

7.A Performance Measure: Thousands of invoices paid electronically

This measure was first introduced in the 2006-09 business plan.

In order to provide a more representative result, the methodology for calculating the result has changed from the Restructuring and Government Efficiency 2006-09 business plan. In the 2006-09 business plan, electronic payments were considered to include invoices paid using the government's Integrated Management Information System (IMAGIS), the Electronic Payment System and procurement cards. The revised methodology counts the number of invoices processed electronically by adding together invoices paid through the Electronic Payment System, ExClaim, procurement cards and IMAGIS Recurring Vouchers. An invoice processed through the above systems is calculated as follows:

Electronic Payment System

Invoices are counted by the number of active Vendor Account Codes that have charges against them. This is counted on a monthly basis as each vendor sends an electronic feed monthly that has Vendor Account Codes with charges.

ExClaim

One paid electronic claim is counted as one invoice. Claims can have a zero dollar amount, created from a claim that is completely pre-paid.

Procurement Card

Each time a card is swiped, it is considered one transaction or one invoice.

IMAGIS Recurring Vouchers

One payment per month per asset is counted as one electronically paid invoice.

In 2007-08, the measure will be changed to the percentage of invoices paid electronically. Measuring the percentage of invoices paid electronically reduces the external influence that government spending has on the measure.
Data is collected internally through Electronic Payment System, ExClaim and IMAGIS AP application database queries by Service Alberta's Financial Services Division.

7.B Performance Measure: Percentage of technology services budget spent on services delivered through the Information and Communications Technology (ICT) Service Co-ordination Model

This measure was first introduced in the 2006-09 business plan.

In order to ensure results are more representative to the actual amount of budget spent on the ICT Service Co-ordination Model, the methodology for calculating this measure has changed. Due to a change in methodology, 2006-07 Technology Services budget data is not comparable to the target in Restructuring and Government Efficiency's 2006-09 business plan or to the previous year's results. Previously this measure included costs of outsourcing agreements held by ministries that were paid by Service Alberta. As these costs are not considered representative of Technology Services budget, they were removed from the 2006-07 calculations of the measure

The measure is calculated using accumulated ministry Schedule C financial information. Schedule C defines the costs ministries pay for services from Service Alberta. At this time, it consists of costs that are delivered through shared services that are consistent with the ICT Service

Co-ordination delivery model, as well as those that are provided by Service Alberta that are provided in traditional 'ministry-specific' delivery models.

At the commencement of the year, an assessment is performed to determine which ministries use the shared services that are consistent with the ICT Service Coordination Model. These services include:

- Software licensing including Oracle costs
- Alberta Secure Access Service costs
- Disaster Recovery Project costs
- Government of Alberta Domain support costs

Throughout the 2006-07 fiscal year, work was completed which migrated ministries to the shared GoA Domain. There are four applicable portions that relate to domain migration at this time: e-mail, desktop, file/print and application. Each has an estimated cost per user as identified in the integration factor. The integration factor is an $11/user/month for e-mail cost which was derived through analysis of costs for e-mail from other service providers. This number was then used to extrapolate the costs for the other GoA Domain components on a per-user basis. When a ministry converts one of these services, the integration factor is multiplied by the full-time employee count of the ministry. If a ministry migrates selected components, only the cost of those migrated components will be included, and are considered to be services provided through the ICT Service Co-ordination Model.

The measure does not include outsourcing agreements that are designed to meet ministry specific needs. In addition, it does not include the former Ministry of Restructuring and Government Efficiency conversion to the GoA Domain.

The data sources for this measure include: Schedule Cs; change requests; an integration factor table, which was derived by the estimated effort needed to migrate a ministry to the common GoA Domain standard; and Government of Alberta full-time employee count from the Alberta Human Resources and Employment 2005-06 Annual Report.

7.C Performance Measure: Percentage of government employees that use the Government of Alberta (GoA) Domain.

This measure was first introduced in the 2006-09 business plan.

The definition of the measure refers to use of the GoA Domain by government employees to receive all or some common infrastructure services. This has been made more specific as follows:

- Government includes departments, Executive Council, Personal Administration Office and Public Affairs Bureau. This excludes most boards and agencies to whom Service Alberta provides only limited services
- Employees are all users in the government who have an @gov.ab.ca e-mail address. This covers users of information and communication technology services within the government environment including full-time, part-time and wage staff and most contractors resident on government premises
- All or some GoA Domain services have been limited to two services: Exchange E-mail and Government of Alberta managed workstations. Integration of a department into the domain will typically start with one or both of these services.

Data for this measure is taken from the Active Directory Service source, which is a real-time database. The Government of Alberta Active Directory Services is used by the GoA Exchange service to manage rights and privileges of users of the GoA Domain e-mail environment. It also has – through synchronization with MAILConnect and indirectly with department directories – a record of who uses information and communications technology services within the Government of Alberta.

8.A Performance Measure: Percentage of ministries satisfied with the overall quality of common administrative services provided.

This measure was first introduced in the 2006-09 business plan.

In order to make the survey more representative of the ministry's client population, the survey methodology changed. Previous results were based on a survey that was conducted internally, used at 10 point scale and measured client satisfaction with individual services. Due to this change, 2006-07 client satisfaction data is not comparable to the target in Restructuring and Government Efficiency's 2006-09 business plan or to the previous year's result.

To obtain 2006-07 results, Nichols Applied Management, an independent research firm, conducted a web-based survey of Service Alberta clients who used the following administrative services from April 1, 2006 to March 31, 2007: accounts payable; revenue; pay and benefits; mail and logistics; e-mail; records management; library service; fleet management; and the web server team. The survey was conducted from May 15, 2007 to June 1, 2007.

Service Alberta staff provided 9,663 names of clients who accessed services from April 2006 to March 2007. For eight of the services, all names provided were surveyed. Due to the large number of e-mail clients, random sampling was employed for this portion of the population. In total, 4,528 clients were sent an invitation to complete the survey: 1,968 responded.

Clients were prompted with a short description of the services offered by Service Alberta and were then asked how satisfied they are with the services received from the ministry. Satisfaction is measured using a seven-point scale, where one is extremely dissatisfied, four is neutral and seven is extremely satisfied. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three. All responses were given equal weightings.

8.B Performance Measure: Percentage of Restructuring and Government Efficiency employees who agree that the ministry provides the support they need to acquire or develop knowledge or skills in their current job.

This measure was first introduced in the 2006-09 business plan with results coming from the Government of Alberta Corporate Employee Survey.

Following publication of Restructuring and Government Efficiency's 2006-09 business plan, the Government of Alberta Corporate Employee Survey was changed to align with the other provincial jurisdictions. As a result, the question on which this measure is based was altered. The methodology changed for this measure from "percentage of Restructuring and Government Efficiency employees who agree that the ministry provides the support they need to acquire or develop knowledge or skill in their current job" in 2005-06 to the "percentage of Restructuring and Government Efficiency employees who agree that the ministry supports their work related learning and development" in 2006-07.

The survey was conducted through web and telephone interviews with employees of the ministry of Government Restructuring and Efficiency.

- To ensure the final sample of 532 Restructuring and Government Efficiency employees had representative proportions based on the population of management and non-management employees in each department, weights were assigned to the data.
- The sample for the online/phone survey was drawn from listings of all management and non-management employees employed by the ministry in permanent positions.
- The online survey was conducted between September 25 and October 24, 2006.
- Telephone interviews were conducted between October 25 and December 5, 2006.

The survey employs a five-point scale. Respondents were asked to rate their agreement with ministry support for work related learning and development. A respondent in agreement is defined by an answer of agree or strongly agree.

9.A Performance Measure: Client Satisfaction Survey – Vehicle users quality of service

Client satisfaction was measured according to a balanced six-point scale where one represents very unsatisfied and six represents very satisfied. Respondents were asked to rate their satisfaction with air services when answering the questions, "Looking back to 2005, how satisfied were you with overall quality of services?" An invitation to complete the 2005 survey was sent by e-mail to 24 vehicle users with later telephone follow-up. Eight surveys were completed and returned for a response rate of 33 per cent. The relatively small size of the population who responded influences the validity of the results. Small populations tend to magnify differences among respondents, which may result in exaggerated rather than truly representational results.

Results are from Infrastructure and Transportation's 2005 and 2003 Client Satisfaction Surveys.

9.B Performance Measure: Client Satisfaction Survey – Air transportation passengers quality of service

Respondents were asked to rate their satisfaction when answering the question, "Looking back to 2005, how satisfied were you with overall quality of service?" when thinking of air transportation services. Client satisfaction was measured according to a balanced six-point scale where one represents very unsatisfied and six represents very satisfied. An invitation to complete the 2005 survey was sent by e-mail to 24 air transportation users with later telephone follow up. Eight surveys were completed and returned for a response rate of 33 per cent. The relatively small size of the population who responded influences the validity of the results. Small populations tend to magnify differences among respondents, which may result in exaggerated rather than truly representational results.

Results are from Infrastructure and Transportation's 2005 and 2003 Client Satisfaction Surveys.

Results Analysis – Personnel Administration Office (PAO)

(now known as Corporate Human Resources)

Message from the Public Service Commissioner

In 2006-2007, over 24,000 dedicated Alberta Public Service employees worked in a wide variety of jobs across the province to deliver excellent programs and services to Albertans. To support employees in this important work, the staff in the Personnel Administration Office focused on working with ministries to develop and deliver human resource programs and services to attract, develop, and engage employees.

Alberta's robust economy has increased competition for skilled and knowledgeable workers in our province. Demographic pressures are an increasing reality as a large number of employees become eligible to retire. The pace of change continues to escalate and makes it imperative that collaborative and innovative approaches are explored in seeking the best solutions to these challenges.

This year, our department developed programs to enhance the knowledge and skills of our employees, to address succession management needs and to recruit talented employees. Across government, public service employees demonstrated their commitment to continuous improvement, a healthy work environment and organizational effectiveness. And I am pleased to report, that province-wide, our employees have helped bring our vision and values to life, ensuring that respect, integrity, accountability, and excellence are at the core of the work we do.

I am proud and honoured to work alongside a group of people who are committed to our vision of *proudly working together to build a stronger province for current and future generations.*

Shirley Howe

Shirley Howe
Public Service Commissioner

Core Business One: Human resource management

The following schedule outlines the actual expenses incurred compared to the resources budgeted to achieve the objectives of this core business.

Operating Expense by Core Business (millions of dollars)

	2005-06	2006-07			
	Actuals	Estimates (2006-07 Business Plan)	Adjustments	Authorized Budget	Actuals
PAO Core Business 1 – Human resource management	12,613	17,703	1,532	19,235	23,827

Highlights of changes between budgeted and actual expenses for PAO Core Business One are as follows:

- Operating expenses increased by $11.2 million over 2005-06. The increase is attributed to additional funding provided in 2006-07 for:
  - Enhancement of human resource programs and initiatives.
  - Expansion of the Executive and Senior Manager Mobility Program to its full-funding level ($3 million increase).
  - Transfer of the Government of Alberta (GoA) Learning Centre and the Administrative Support Recruitment Unit from the former ministry of Restructuring and Government Efficiency to the Personnel Administration Office ($1.5 million increase).

In 2006-07, expenses were $4.592 million more than budget.

- Variance resulted from a grant of $5.3 million to the Long-Term Disability (LTD) Insurance Continuance Plan (Bargaining Unit). This amount is to cover the cost of an economic adjustment for employees receiving LTD benefits.

GOAL 1

An integrated, effective and enabling human resource management framework in the Alberta Public Service.

Overview

The Personnel Administration Office (PAO) develops a comprehensive corporate approach to human resource (HR) management in the areas of benefits, compensation, classification, labour relations, collective bargaining, staffing, employee engagement, workforce development and workplace health and safety. This is achieved through the development of HR strategies and policy frameworks and the provision of expert consulting to ministries.

PAO also takes a leadership role in developing the knowledge and skills of the HR community in the Alberta Public Service (APS) through the provision of training and corporate supports. As well, PAO seeks out information technology tools to support the effectiveness of the programs.

Activities/Achievements

- The last group of non-management classes in the excluded administrative group converted to the new job evaluation plan effective January 1, 2007. This concludes a major initiative to convert all of the non-management classes to the new Point Rating Job Evaluation Plan, resulting in a reduction in the number of classes used to evaluate jobs from 520 to 191. Broad banding of classes has provided greater flexibility for job design and assignment of work.
- Several initiatives were undertaken to enhance the quality assurance of the overall job evaluation program, including enhanced requirements for delegation of classification authority. A first segment on advanced job evaluation training was developed and delivered to the HR Community. A cross-ministry team was used to evaluate new management benchmarks, in order to provide more support for job evaluation decisions made in ministries.
- Pension initiatives were undertaken jointly with Alberta Finance, resulting in recommendations to amend the re-employed pensioner policy, promote the communication of existing flexible work options, and improve reciprocal pension arrangements with other jurisdictions.
- An economic adjustment was implemented for employees receiving Long Term Disability (LTD) benefits, effective September 1, 2006. Eligible employees received a three per cent, six per cent or nine per cent adjustment based on the length of time they have been receiving LTD benefits.
- A standard set of corporate demographics was developed and made available to ministries September 21, 2006. Ministry level demographic information was also provided to deputy ministers and HR directors for their respective ministries.
- PAO completed a redevelopment of its website to better meet client needs. The new website was launched in November 2006.
- PAO transitioned its IT environment fully into the GoA shared service environment. This provided staff with access to the most current software and enhanced supports the GoA's broader goals for information technology. The transition was completed in four months with minimal impact on PAO staff.
- An attraction bonus program was implemented on a pilot basis, effective July 1, 2006, for a two-year period for external new hires recruited to positions in Fort McMurray or a location north of the 57th parallel. The attraction bonus is a one-time payment that is equivalent to 25 per cent of an employee's base pay upon commencement (less all lawful deductions) and paid quarterly. This bonus also applies to current employees who reside outside of the designated areas and relocate to any of the eligible locations.
- Also piloted for two years is a Northern Trips program for permanent and temporary salary employees located north of the 57th parallel. To help address the isolation issues associated with working in the northern communities, these employees receive two return trips out per year to Edmonton with eligible dependent(s).
- In addition, a two-year pilot for a Northern Leave program was implemented that provides five paid days off for permanent and temporary employees who are isolated as a result of their employment and residency in locations north of the 57th parallel.

1.A Performance Measures: Client satisfaction with human resource strategies and policy frameworks.

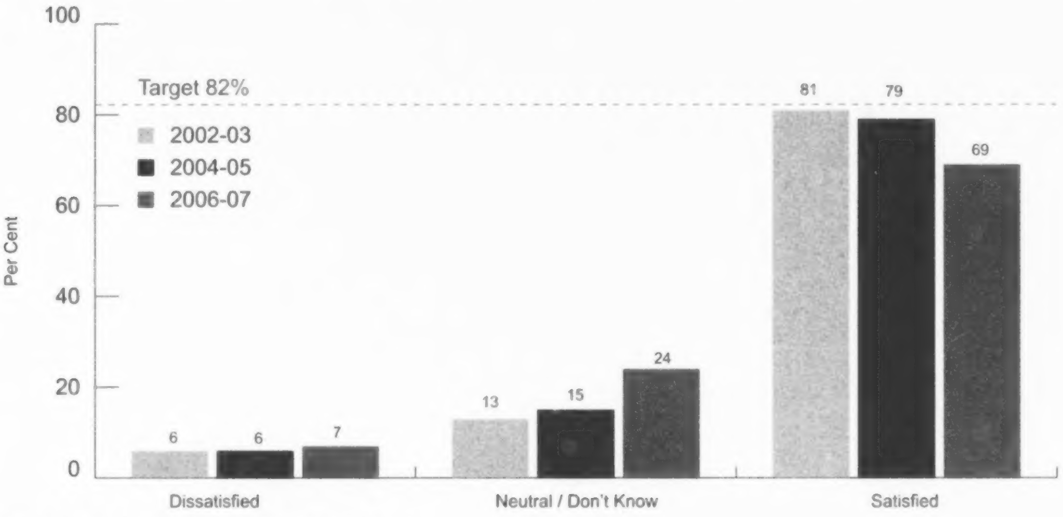
Description

HR strategies and policy frameworks are crucial parts of an integrated, effective and enabling HR management framework. This measure surveys PAO clients for their satisfaction with strategies and policy frameworks. Measurement data is collected through the PAO Client Satisfaction Survey, which is conducted every two years.

Results

Sixty-nine per cent satisfaction with the HR strategies and policy frameworks provided, which is less than the target of 82 per cent and is a 10 percentage point decrease from the previous survey's results (79 per cent in 2004-05).

Client Satisfaction with Human Resource Strategies and Policy Framework



Source: 2002-03, 2004-05 and 2006-07 Research Innovations Inc.

Analysis

The biggest increase was in the neutral or don't know category. This category increased by almost the same amount that the satisfied category decreased (9 and 10 percentage points respectively) while the percentage of clients who were dissatisfied increased slightly by one percentage point.

Source and Methodology

An independent survey organization, Research Innovations Inc., conducted a census survey of PAO's clients using a combination of telephone interviews and web/e-mail based data collection. The clients surveyed are deputy ministers and their executive committees, HR directors and HR professionals in government ministries. Of the 410 clients eligible to participate in the survey, 330 clients participated. Results were averaged to give each group equal weight.

1.B Performance Measure: Client satisfaction with working relationships with the Personnel Administration Office.

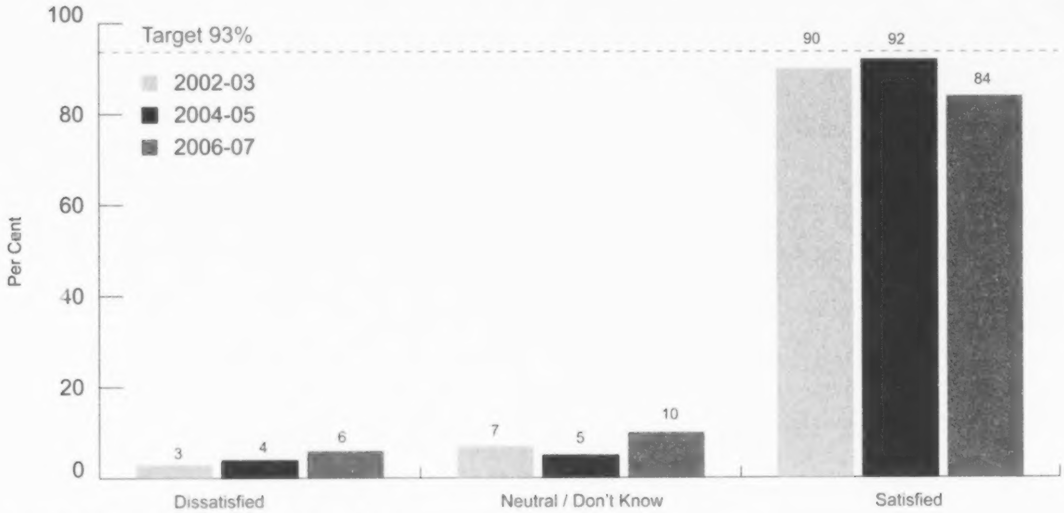
Description

Working relationships between PAO and its clients are key to achieving this goal. This measure surveys clients' overall satisfaction with working relationships with PAO. Measurement data is collected through the PAO Client Satisfaction Survey, which is conducted every two years.

Results

Eighty-four per cent satisfaction with working relationships, which is less than the target of 93 per cent and a decrease of eight percentage points from the previous survey's results (92 per cent in 2004-05).

Client Satisfaction with Working Relationships with the Personnel Administration Office



Source: 2002-03, 2004-05 and 2006-07 Research Innovations Inc.

Analysis

The results confirm that the majority of clients remain satisfied with their working relationships with PAO. The category that experienced the biggest increase (five percentage points) was neutral or don't know.

Source and Methodology

An independent survey organization, Research Innovations Inc., conducted a census survey of PAO's clients using a combination of telephone interviews and web/e-mail based data collection. The clients surveyed are deputy ministers and their executive committees, HR directors and HR professionals in government ministries. Of the 410 clients eligible to participate in the survey, 330 clients participated. Results were averaged to give each group equal weight.

GOAL 2

An engaged and healthy public service that is positioned to meet emerging and diverse government goals.

Overview

PAO provides strategic leadership in HR management and works in partnership with ministries to develop innovative and leading initiatives for employee attraction, development and engagement. PAO works to position the Alberta Public Service (APS) as an employer of choice in a competitive labour market, ensuring that employees continue to have the skills and knowledge needed to deliver excellent programs and services to Albertans now and in the future.

Activities/Achievements

- The renewed APS Vision and Values were incorporated into the recruitment process.
- The Government of Alberta was the featured employer on the University of Alberta Career and Placement Services website for February 2007.
- An *Alberta's Best is Hiring* segment, highlighting career opportunities in the Alberta Public Service, aired on television in September 2006 and March 2007. The segment was broadcast across Alberta and Canada.
- An ad promoting the Government of Alberta as an employer appeared in the November/December 2006 and February 2007 issues of Job Postings magazine and website. The magazine reaches more than 160,000 students in more than 175 educational institutions across Canada. The February issue included a Spotlight on Alberta section, the Government of Alberta postcard and an interview with an HR intern living and working in Alberta.
- An interactive webpage for the APS Jobs Website to demonstrate the diversity of work available and the potential for career growth in the Alberta Public Service was developed. Also, an "e-mail a friend" option was implemented as an enhancement to the website in August 2006. Currently, 92 per cent of applicants apply online for employment within the Government of Alberta.
- The Internship Program continued to provide recent post-secondary graduates with meaningful work experience and strengthened their interest in the Government of Alberta as an attractive employer. A total of 212 interns were placed in 17 ministries in 2006-07.
- PAO's Executive Search provided services to attract and recruit candidates and manage appointment processes for executive managers, senior officials and board members for Alberta Government departments and significant agencies, boards and commissions.
- An Orientation to Government half-day session was launched in October 2006. The focus is to provide new employees at all levels and across all departments with a better understanding of working in the Government of Alberta. Approximately 800 staff attended the quarterly sessions in 2006-07.
- The Executive and Senior Manager Mobility Program was expanded to include secondment opportunities at both the senior and executive manager levels. Since the introduction of the program in April 2005, 47 executive and senior managers have participated or are currently participating in the program.

- High participation and satisfaction levels continue in learning programs, including the Corporate Executive Development Program, the Senior and Executive Managers' Development Program, the Management Development Program and Management Essentials in the Alberta Public Service Program.
- The first enrolment of Supervisor Assessment Services was held with 28 participants.
- A career management portal website was developed and launched in March 2007 to support employees in career planning at all levels.
- The Certificate of Achievement in Safety Excellence (CASE) program was introduced in July 2006. CASE provides ministries with an electronic process to evaluate the effectiveness of their safety programs and has the ability to create action plans based on the input from both ministry leaders and employees.
- Return-to-Work Guidelines, designed to assist in a safe and positive return to work for employees returning from injury or illness, were developed and introduced in March 2007.
- A Life at Work Reference Guide was developed to provide managers and supervisors with quick reference information on GoA of Alberta workplace health programs, links to secondary resource information, and suggestions for ministries to promote workplace health. It was distributed in September 2006.
- The APS Flu Season Planning Guide, designed to provide immunization program information, service provider resources, and communications support, was developed and distributed in September 2006.
- The 12th Annual Premier's Award of Excellence ceremony was held on October 3, 2006. Twenty-six submissions from ministries and eligible agencies, boards and commissions received awards.
- The APS entered into a partnership with the National Quality Institute (NQI). A Letter of Agreement was signed by Ron Hicks, Deputy Minister of Executive Council and Allan Ebedes, President, NQI, on October 3, 2006. The agreement provides eligibility for Canada Awards of Excellence for ongoing work by Premier's Award of Excellence recipients.
- Five teams were recognized through the Deputy Minister of Executive Council's Service Excellence Recognition Program.
- The first APS Innovation Session, providing an opportunity to learn about innovative ideas and practices in the public service from three 2006 Premier's Award of Excellence recipients, was held on November 30, 2006.
- A handbook for managers and supervisors containing resources, discussion guides and checklists for the renewed APS Vision and Values was launched in June 2006. More than 5,700 copies of the handbook were distributed and a web-based version was also made available.
- A web-based resource to assist in how to have performance, learning and development conversations was developed and launched.
- A common performance assessment approach for both managers and opted-out and excluded employees was developed and introduced. The approach is to be phased in over two years to allow departments flexibility in implementation timing. Twelve ministries are implementing for 2007-08.

2.A Performance Measure: Percentage of employees who are satisfied with their employment with the Alberta Public Service.

Description

An engaged and healthy public service is essential in order to meet government goals. This measure surveys overall satisfaction with employment in the APS. Measurement data for this measure are collected through the annual Corporate Employee Survey.

Results

A new question used in the 2006 Corporate Employee Survey was *"To what extent do you agree or disagree that, overall, you are satisfied in your work as a Government of Alberta employee?"*

The 2006 result is 78 per cent. The baseline result established in 2005 was 80 per cent of employees who agreed that, overall, they were satisfied in their work as a GoA employee.

Analysis

Seventy-eight per cent of employees surveyed agreed that, overall, they were satisfied in their work as a GoA employee, a decrease of two percentage points from 2005. Work is ongoing in this area, with three key priorities identified in the 2007-10 APS Workforce Plan driving initiatives that can positively impact employee satisfaction.

Source and Methodology

Measures of employee satisfaction have been established and annual surveys have been conducted since 1996. The 2006-07 Corporate Employee Survey was conducted by an independent survey organization, Research Innovations Inc., from September 25 to December 5, 2006. A total of 13,705 Government of Alberta employees were surveyed, using a combination of online, telephone and mail surveying. The margin of error was no greater than ±1 per cent at the 95 per cent confidence level.

In 2005, a number of questions were added to the Corporate Employee Survey to enable comparison of results with employee surveys in other Canadian government jurisdictions. This allowed for baseline data to be collected where changes were anticipated before the survey instrument was updated. In 2006, the survey instrument was updated to align with the new common questions. This resulted in some changes to question wording, the removal of "duplicate" questions and changes in the response scale for some questions (from satisfaction scale to agreement scale) for consistency throughout the instrument. Changes affecting performance measures are noted.

2.B Performance Measure: Percentage of employees who are satisfied with the learning and development opportunities available to them.

Description

An engaged and healthy public service is essential in order to meet government goals. This measure surveys the satisfaction of APS employees with learning and development opportunities available to them. Measurement data for this measure is collected through the annual Corporate Employee Survey.

Results

The new question used in the 2006 Corporate Employee Survey was *"To what extent do you agree or disagree that your organization supports your work-related learning and development?"*

The 2006 result is 76 per cent. The baseline result established in 2005 was 71 per cent of employees who agreed their organization supports their work-related learning and development.

Analysis

Based on the 2005 baseline result, the substantial increase of five percentage points in the 2006 survey response indicates that there has been greater support for employees' work-related learning and development over the past year. This has been an area of focus in the cross-government APS HR Plan, and will continue as a priority in the 2007-10 APS Workforce Plan (formerly the APS HR Plan).

Source and Methodology

Measures of employee satisfaction have been established and annual surveys have been conducted since 1996. The 2006-07 Corporate Employee Survey was conducted by an independent survey organization, Research Innovations Inc., from September 25 to December 5, 2006. A total of 13,705 Government of Alberta employees were surveyed, using a combination of online, telephone and mail surveying. The margin of error was no greater than ±1 per cent at the 95 per cent confidence level.

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2.C Performance Measure: Percentage of employees who are satisfied with how clearly work expectations are communicated to them.

Description

An engaged and healthy public service is essential in order to meet government goals. This measure focuses on the satisfaction of APS employees with how clearly their work expectations are communicated to them. Measurement data for this measure is collected through the annual Corporate Employee Survey.

Results

The new question used in the 2006 Corporate Employee Survey was "*To what extent do you agree or disagree that you are satisfied with how clearly work expectations are communicated to you?*"

From 2002 to 2005, this question used a satisfaction scale, and in 2006, the question used an agreement scale for consistency with the rest of the survey instrument.

The 2006 result is 65 per cent of employees agreed they were satisfied with how clearly work expectations are communicated to them, a decrease of one percentage point from the 2005 result of 66 per cent. Due to the change in scale, year-over-year results for this question may not be directly comparable.

Analysis

Results have remained relatively constant since 2005. Work continues in this area, with priorities identified in the cross-government 2007-10 APS Workforce Plan driving initiatives that can positively impact this result.

Source and Methodology

Measures of employee satisfaction have been established and annual surveys have been conducted since 1996. The 2006-07 Corporate Employee Survey was conducted by an independent survey organization, Research Innovations Inc., from September 25 to December 5, 2006. A total of 13,705 Government of Alberta employees were surveyed, using a combination of online, telephone and mail surveying. The margin of error was no greater than ±1 per cent at the 95 per cent confidence level.

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2.D Performance Measure: Lost-time claims rate for the APS

Description

This measure rates the wellbeing of employees in the APS. Lost-time claims is a frequency rate which measures the time lost due to incidents/injury in the APS.

Results

Wellbeing Performance Measure

	2006 Actual	2006 Target
Frequency of incidents/injuries (Lost-time claims per 100 person-years worked)	1.61	1.5

Analysis

The lost-time claims rate of 1.61 for 2006 is lower than the 2005 rate of 1.66. This lost-time claim rate continued the historical trend of being lower than the combined workplace lost-time claim rate as reported by Employment, Immigration and Industry for employers in Alberta, which is 2.35 for 2006, according to the Government of Alberta Annual Report. (The rate for 2005 was 2.4).

Source and Methodology

The frequency of incidents/injuries is based on a standard formula that calculates the number of lost-time claims per 100 person-years worked. Data is pulled from the IMAGIS Occupational Health and Safety Database. (IMAGIS is the Integrated Management Information System for human resources in the Government of Alberta). This performance measure is based on the calendar year.

Supplemental Information – Executive Search

New Competitions Initiated by Fiscal Year

The following table reflects only new competitions initiated in the fiscal year.

	2004-05	2005-06	2006-07
Number and Scope of Competitions			
Open	30	70	54
Limited	22	29	18
Total	52	99	72
Number of Competitions by Classification			
Senior Official/Deputy Minister	9	6	6
Executive Manager II	10	17	16
Executive Manager I	22	60	42
Other Levels	9	8	5
Other*	2	8	3
Total Initiated	52	99	72**

Source: Personnel Administration Office

* Includes agencies, boards and commissions and Legislative Assembly Offices

**As of March 31, 2007 (fiscal year-end), 22 competitions were in progress.

The 72 new competitions, combined with 33 competitions in progress at the end of fiscal year 2005-06, resulted in 96 appointments effective in 2006-07.

Executive Search also worked on 33 exemptions from competition and seven interchange assignments in 2006-07.

Supplemental Information

Profile of the Alberta Public Service

As of March 31, 2007, there were 24,897 employees in the Alberta Public Service, an increase over March 31, 2006 when there were 24,026 employees.

**Salaried staff includes permanent, temporary and long term wage employees.*

Distribution of Staff By Ministry

Ministry	Employees	Percentage of Public Service
Advanced Education and Technology	592	2.4%
Agriculture and Food	1054	4.2%
Children's Services	2974	11.9%
Education	741	3.0%
Energy	601	2.4%
Employment, Immigration, and Industry	2187	8.8%
Environment	846	3.4%
Executive Council	60	0.2%
Finance	535	2.1%
Health and Wellness	886	3.6%
Infrastructure and Transportation	1729	6.9%
International, Intergovernmental and Aboriginal Relations	228	0.9%
Justice and Attorney General	2574	10.3%
Legislative Assembly	87	0.3%
Municipal Affairs and Housing	541	2.2%
Office of Auditor General	122	0.5%
Office of the Chief Electoral Officer	12	0.0%
Office of the Ethics Commissioner	2	0.0%
Office of Information and Privacy Commissioner	36	0.1%
Office of the Ombudsman	21	0.1%
Personnel Administration Office	129	0.5%
Public Affairs Bureau	168	0.7%
Service Alberta	1710	6.9%
Seniors and Community Supports	1991	8.0%
Solicitor General and Public Security	2495	10.0%
Sustainable Resource Development	1646	6.6%
Tourism, Parks, Recreation and Culture	856	3.4%
Treasury Board	74	0.3%
	24,897	100.0%

Source: IMAGIS database; Legislative Assembly Office; Office of the Ethics Commissioner; Office of the Information and Privacy Commissioner.

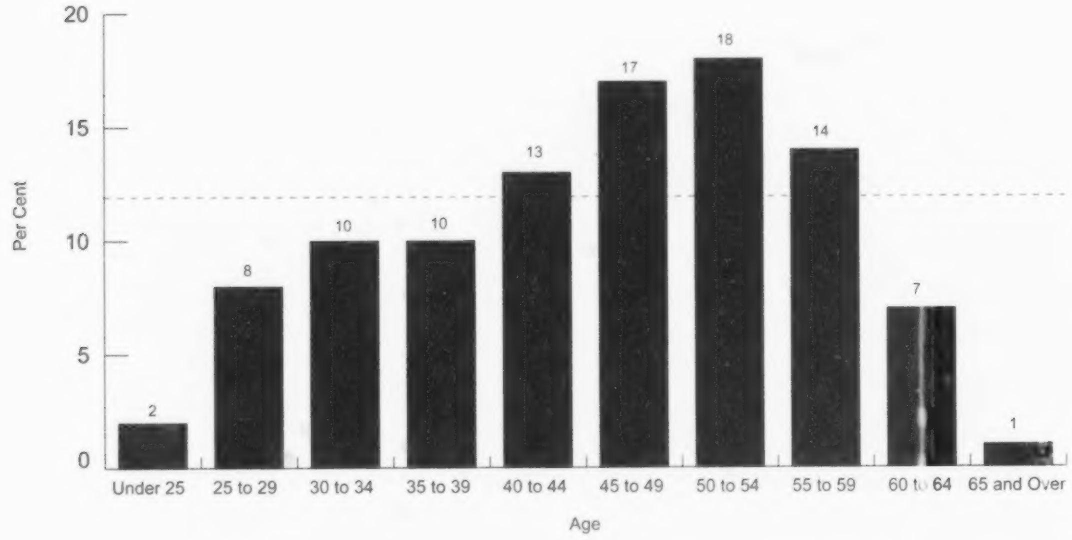
Supplemental Information

Employee distribution (age, salary and location)

The following charts include permanent, temporary, and long-term wage employees. Data is obtained from IMAGIS, the government's human resource information system.

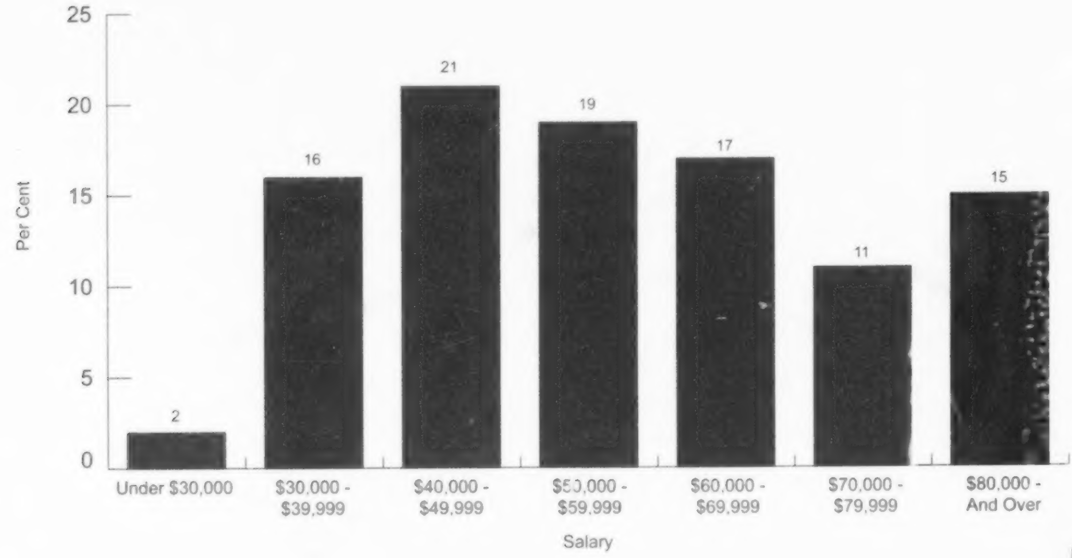
The average age of permanent, salaried public service employees remained at 46 in 2006-07.

Age Distribution



Salary Distribution

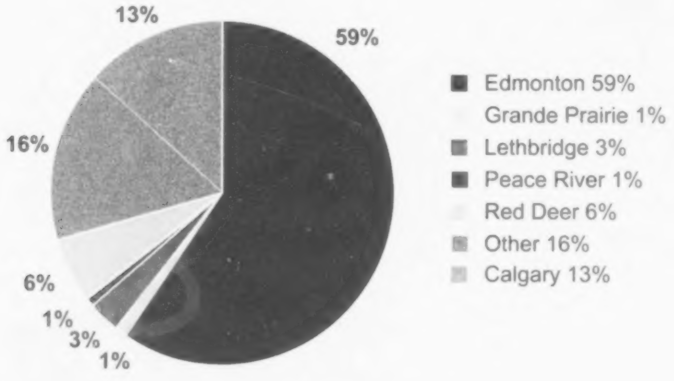
The average annual salary of permanent, full-time public service employees in 2006-07 was $61,300.



Supplemental Information

Employee distribution (age, salary and location) continued

Work Location of APS Employees



Supplemental Information

Benefit Plans

Plan		Benefits Paid ($ thousands)		
		2004-05	2005-06	2006-07
Basic Group Life Insurance	Deaths	65	47	45
	Total Benefits Paid	$6,447	$4,982	$5,216
Accidental Death & Dismemberment Insurance	Deaths	1	0	3
	Total Benefits Paid	$152	$0	$188
Dependents' Life Insurance	Deaths	31	37	25
	Total Benefits Paid	$230	$271	$194
Enhanced Life Insurance	Deaths	8	3	5
	Total Benefits Paid	$1,782	$715	$879
Retiree Life Insurance	Deaths	222	220	243
	Total Benefits Paid	$682	$680	$745

Source: Personnel Administration Office; Great-West Life Assurance Company

About the Plans

Basic Group Life Insurance

A lump sum is paid to the beneficiary on the employee's death. A partial advance payment of the total coverage may be paid to a terminally ill employee. The employer pays two-thirds and the employee pays one-third of the premium.

Accidental Death and Dismemberment Insurance

This policy provides additional benefits if death was accidental or if an accident causes loss of use of limbs. The employer pays two-thirds and the employee one-third of the premium.

Dependents' Life Insurance

Employee-funded, this benefit is paid to the employee upon the death of an insured spouse or child.

Enhanced Life Insurance

Employee-funded, this additional optional coverage is based on a multiple of annual salary and is available to management and non-union employees.

Retiree Life Insurance

Beneficiaries receive a benefit upon the death of an insured retired employee. The benefit for employees who were in the bargaining unit is $4,000. The management and non-union plan provides a $4,000 benefit if the employee retired or is still employed past age 70 with less than 10 years of service, $5,000 if the employee is retired, terminated or is still employed past age 70 with 10-20 years of service and $7,000 if the employee retired, terminated or is still employed past age 70 with 20 years or more service.

Supplemental Information

Benefit Plans (cont.)

Plan		Benefits Paid ($ thousands)		
		2004-05	2005-06	2006-07
Extended Medical Benefits and Prescription Drug Plans	Extended Medical Benefits Paid	$14,641	$17,354	$19,943
	Prescription Drug Benefits Paid	$4,126	$4,589	$4,962
Travel-Occupational Accident Insurance	Deaths	0	0	0
	Benefits Paid	$0	$0	$0
Dental Plans	Benefits Paid	$14,982	$16,846	$17,905
Long-Term Disability Income Continuance Plan	Benefits Paid	$23,276	$24,746	$28,496
	Number of employees receiving benefits	1,114	1,149	1,180
	Number of new claims during the year	289	298	310

Source: Personnel Administration Office; Great-West Life Assurance Company.

About the Plans

Extended Medical Benefits and Prescription Drug Plans

These plans provide optional coverage for prescription drugs and other medical services. Employees and the employer share the premiums associated with participating in the plan.

Travel-Occupational Accident Insurance

This plan covers wage and a small number of other employees who are not covered under the life insurance plan. The plan is employer-funded and is for accidents causing death or dismemberment which occur at work or when traveling on government business. The principal benefit is equal to four times an employee's salary to a maximum of $200,000.

Dental Plans

The dental plans reimburse up to 80 per cent for basic dental services and up to 50 per cent for major services and orthodontic services (within annual limits). An enhanced employee-paid plan for management and non-union employees provides a higher reimbursement level. All plans cover the employee, the employee's spouse or benefit partner and eligible children.

Long-Term Disability Income Continuance Plan

Employees unable to perform at least 60 per cent of their job duties or undertake employment due to their medical condition are provided with benefits up to 70 per cent of their pre-disability salary. Employees capable of returning to work receive rehabilitation and re-employment assistance.

Employee Funded Leave Program

Employees may regularly set aside a portion of their salaries with the trustee for this program. They receive the deferred salary back at a later date while on a leave of absence ranging from four to 12 months in length. In 2006-07, 51 employees participated, with the value of the program fund at $729,188.42 as of March 31, 2007.

FINANCIAL INFORMATION

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Service Alberta as at March 31, 2007 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
May 18, 2007

Service Alberta

Financial Statements

March 31, 2007

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MINISTRY OF SERVICE ALBERTA
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2007
(in thousands)

	2007		2006
			(Restated -Note 3)
	Budget (Schedule 4)	Actual	Actual
Revenues (Note 2b and Schedule 1)			
Fees and licences	$ 376,791	$ 429,189	$ 385,492
Other revenues	104,939	79,962	118,552
	481,730	509,151	504,044
Expenses- directly incurred (Note 2b and Schedules 3, 4 and 5)			
Voted operating expenses			
Ministry Support Services	13,572	14,240	9,697
Services to Albertans	58,970	55,627	49,968
Services to Government	271,155	236,758	265,663
Personnel Administration Office	19,235	23,827	14,122
	362,932	330,452	339,450
Statutory expenses (Note 6)	3,089	2,102	3,121
	366,021	332,554	342,571
Loss on disposal and writedown of tangible capital assets	-	485	2,726
Net operating results	$ 115,709	$ 176,112	$ 158,747

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF SERVICE ALBERTA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2007

(in thousands)

		2007		2006 (Restated-Note 3)
Assets				
Cash	$	88,139	$	82,688
Accounts receivable (Note 4)		19,260		11,515
Inventories (Note 5)		1,932		1,902
Tangible capital assets (Note 7)		227,419		231,255
	$	336,750	$	327,360
Liabilities				
Accounts payable and accrued liabilities (Note 8)	$	91,430	$	75,824
Unearned revenue (Note 9)		203,396		184,723
		294,826		260,547
Net assets				
Net assets, beginning of year		66,813		43,831
Net operating results		176,112		158,747
Net transfer to general revenues		(201,001)		(135,765)
Net assets, end of year		41,924		66,813
	$	336,750	$	327,360

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF SERVICE ALBERTA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2007
(in thousands)

	2007	2006
Operating transactions		
Net operating results	$ 176,112	$ 158,747
Non-cash items included in net operating results		
Amortization of tangible capital assets and consumption of inventories	27,514	18,880
Loss on disposal and writedown of tangible capital assets	485	2,726
Provision for vacation pay	1,242	1,424
Provision for doubtful accounts	57	243
Provision for the Government of Alberta's share of the Long-Term Disability Continuance Plan liability	663	1,450
	206,073	183,470
Increase in accounts receivable	(7,802)	(2,053)
Decrease (increase) in inventories held for resale	(23)	256
Increase (decrease) in accounts payable and accrued liabilities	13,701	(37,055)
Increase in unearned revenue	18,673	14,150
Cash provided by operating transactions	230,622	158,768
Capital transactions		
Acquisition of tangible capital assets and inventories held for internal use	(26,736)	(12,917)
Net transfer of tangible capital assets to (from) other ministries	810	(1,964)
Disposal of tangible capital assets	1,756	-
Cash applied to capital transactions	(24,170)	(14,881)
Financing transactions		
Net transfer to general revenues	(201,001)	(135,765)
Cash applied to financing transactions	(201,001)	(135,765)
Increase in cash	5,451	8,122
Cash, beginning of year	82,688	74,566
Cash, end of year	$ 88,139	$ 82,688

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

Year Ended March 31, 2007

NOTE 1 AUTHORITY AND PURPOSE

The ministry of Service Alberta operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The ministry provides responsive, standardized and efficient shared services across government while delivering convenient, secure and timely access to programs and services for all Albertans. The ministry supports a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection. The Personnel Administration Office, as part of the ministry, leads and collaborates with ministries to develop innovative human resource management policies and practices to attract, engage and develop employees to achieve government goals and objectives.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The reporting entity is the Ministry of Service Alberta for which the Minister of Service Alberta is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer (to) from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual dedicated revenues exceed budget, the ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets
- Pension costs which comprise the cost of employer contributions for current service of employees during the year
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to doubtful accounts, vacation pay and long-term disability.

Incurred by Others

Services contributed by other entities in support of ministry operations are disclosed in Schedule 8.

Assets

Financial assets of the ministry are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale.

Assets acquired by right are not included. Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in the sacrifice of economic benefits in the future.

Net Assets

Net assets represent the difference between the carrying value of assets held by the ministry and its liabilities.

Measurement Uncertainty

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Accounts payable and accrued liabilities includes the accrued benefit liability for the two multi-employer Long-Term Disability Income continuance plans of $10,845 (2006 - $10,182), which is subject to measurement uncertainty.

VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

NOTE 3 GOVERNMENT REORGANIZATION AND PROGRAM TRANSFERS

(in thousands)

The Ministry of Service Alberta was established as a result of the restructuring of government ministries announced on December 13, 2006. The responsibilities for the administration of the programs delivered by former ministries of Restructuring and Government Efficiency and Government Services were assigned to the new Ministry of Service Alberta. The government restructuring on December 13, 2006 included the following transfers of responsibilities:

a) The responsibility for the Personnel Administration Office was transferred from the former Ministry of Human Resources and Employment to the Ministry of Service Alberta.

b) The responsibility for the administration of the Air and Vehicle Services and the furniture function were transferred from the Ministry of Infrastructure and Transportation to the Ministry of Service Alberta.

c) The responsibility for the administration of the Facility Planning Services was transferred from the Ministry of Service Alberta to the Ministry of Infrastructure and Transportation.

Prior to the government restructuring of December 13, 2006, the following changes occurred:

- Effective April 1, 2006, the responsibility for the administration of the Queen's Printer was transferred from the Ministry of Executive Council to the former Ministry of Restructuring and Government Efficiency, as per Order-in-Council 122/2006.
- Effective April 1, 2006, ministry customers transferred the responsibility for the functional reporting of financial, business, pay and benefit, IMAGIS and corporate management to the former Ministry of Restructuring and Government Efficiency.

Comparatives for 2006 have been restated as if the ministry had always been assigned with its current responsibilities. Net assets (liabilities) on March 31, 2005 are made up as follows:

Net assets (liabilities), as previously reported	
Restructuring and Government Efficiency	$ 147,484
Government Services	(113,264)
Personnel Administration Office	(10,500)
Net assets as previously reported at March 31,2005	23,720
Transfer from the Ministry of Infrastructure and Transportation	18,598
Transfer from the Ministry of Executive Council	1,513
Net assets as restated at March 31, 2005	$ 43,831

Net transfer from (to) General Revenue on March 31, 2006 is made up of the following:

Net transfer from (to) General Revenue, as previously reported	
Restructuring and Government Efficiency	$ 84,114
Government Services	(298,933)
Net transfer from (to) General Revenue as previously reported on March 31, 2006	(214,819)
Transfer from the Ministry of Infrastructure and Transportation	3,107
Transfer to the Ministry of Executive Council	(181)
Transfer from the former Ministry of Human Resources and Employment	12,535
Transfer from other ministries	63,593
Restated net transfer from (to) General Revenue at March 31, 2006	$ (135,765)

Net operating results for 2006 have been restated as follows:

Net operating results, as previously reported	
Restructuring and Government Efficiency	$ (61,147)
Government Services	302,529
Net operating results as previously reported	241,382
Transfer from the Ministry of Infrastructure and Transportation	(3,622)
Transfer from the Ministry of Executive Council	(910)
Transfer from the former Ministry of Human Resources and Employment	(14,510)
Transfer from other ministries	(63,593)
Restated net operating results for 2006	$ 158,747

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

	2007			2006
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 19,367	$ 234	$ 19,133	$ 11,356
Refunds from suppliers	127	-	127	159
	$ 19,494	$ 234	$ 19,260	$ 11,515

Accounts receivable are unsecured and non-interest bearing. The accounts receivable amount includes $269 (2006 - $1,053) to be received from other government ministries.

NOTE 5 INVENTORIES

(in thousands)

Inventories consist of the following:

	2007	2006
Consumable aircraft parts and supplies	$1,604	$1,597
Queen's Printer publications for resale	328	305
	$1,932	$1,902

NOTE 6 STATUTORY EXPENSES

(in thousands)

	2007	2006
Valuation adjustments		
Provision for doubtful accounts	$ 57	$ 243
Provision for vacation pay	1,242	1,424
Provision for the Government of Alberta's share of the Long Term Disability Income Continuance Plan liability (a)	663	1,450
Land Titles Registrar's assurance liabilities	140	4
	$ 2,102	$ 3,121

(a) The Provision represents the change in liabilities in the year in the amount of $663 (2006 - $1,450). The accrued benefit liability for the two multi-employer Long-Term Disability Income continuance plans at March 31, 2007 amounted to $10,845 (Note 14) and is included in accounts payable and accrued liabilities.

NOTE 7 TANGIBLE CAPITAL ASSETS
(in thousands)

	2007				2006
	Estimated Useful Life (Years)	***Cost***	**Accumulated Amortization**	**Net Book Value**	**Net Book Value**
SuperNet(1)					
Electronic Equipment	3	$ 23,600	$ 11,800	$ 11,800	$ 19,667
Indefeasible Right of Use Agreements (2)	20	155,657	11,674	143,983	151,766
Fibre Purchase Agreements (3)	20	13,743	1,031	12,712	13,399
Aircraft (4)	5 to 24	29,013	7,533	21,480	10,812
Equipment other (5)	5 to 10	27,361	17,948	9,413	9,771
Computer hardware and software (6)	3 to 10	120,784	92,753	28,031	25,840
		$ 370,158	$ 142,739	$ 227,419	$ 231,255

(1) Amortization of SuperNet commenced in October 2005 in fiscal year 2005-06.

(2) Indefeasible Right of Use Agreements grant the Government of Alberta exclusive use of specific fibre optic cable, wireless equipment, tower space and points of presences and an indefeasible right to use common support structures (sheathing, conduit, handholes, pedestals, etc.). Indefeasible means the right to use cannot be defeated, revoked or made void. All indefeasible right of use agreements have initial 20-year term with renewal options.

(3) Fibre Purchase Agreements grant the ownership of specific fibre optic cables and an indefeasible right to use common support structures (sheathing, conduit, handholes, pedestals, etc.).

(4) Aircraft also includes spare aircraft engines and parts.

(5) Equipment also includes furniture and fixtures.

(6) Includes all development costs incurred by the ministry in the implementation of the Alberta Government Integrated Management Information System (IMAGIS). The cost of each module is amortized over a 10-year useful life. Upgrades to newer versions of PeopleSoft, the IMAGIS software platform, are expensed in the year incurred.

During the year, transfer of tangible capital assets from other ministries amounted to $2,434 (2006 – $1,964), and transfer of tangible capital assets to other ministries amounted to $3,244 (2006 - $0).

NOTE 8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

The ministry has an obligation to pay for goods and services acquired by its program areas, and to recognize the Government of Alberta's share in the liability for the Long-Term Disability Income Continuance Plan. It must also remit funds collected on behalf of the Department of Justice.

	2007	2006
Other Payables	$83,926	$69,098
Payable to Department of Justice	7,504	6,726
	$91,430	$75,824

NOTE 9 UNEARNED REVENUE

(in thousands)

The ministry records unearned revenue when it receives payment for services to be provided in a future accounting period.

	2007	2006
Fees and licences		
Motor Vehicles	$ 198,485	$ 182,479
Land Titles	1,675	153
Others	440	445
Other Revenue		
Utilities Consumer Advocate*	2,736	1,586
Others	60	60
	$ 203,396	$ 184,723

* Of the total external funding of $6,474 (2006 - $4,612) that was recognized by the Utilities Consumer Advocate, $2,736 (2006 - $1,586) was not expended and will be deducted from next year's funding contributions.

NOTE 10 CONTRACTUAL OBLIGATIONS
(in thousands)

	2007	2006
Telecommunications		
Service contracts [1]	$ 53,906	$ 54,967
General Service Contracts [2]	177,175	224,898
Long-Term Leases	1,468	2,328
	$ 232,549	$ 282,193

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

Year	Service Contracts	Long Term Leases	Total
2008	$ 95,331	$ 1,123	$ 96,454
2009	72,747	345	73,092
2010	38,801	-	38,801
2011	19,229	-	19,229
2012	4,770	-	4,770
Thereafter	203	-	203
	$ 231,081	$ 1,468	$ 232,549

(1) Represents Government of Alberta's commitment to Bell Canada for telecommunication services. The remaining term of the agreement is three years.

(2) General service contracts include the Government of Alberta's commitment to IBM for the Alberta Government Integrated Management Information System of $43,697 (2006 - $59,955). The remaining term of the agreement is two years and nine months.

The threshold for disclosing contractual obligations is $25.

NOTE 11 CONTINGENT LIABILITIES
(in thousands)

At March 31, 2007, the ministry is a defendant in 14 legal claims (2006 –16 legal claims). Eight of these claims have specified amounts totalling $1,231 and the remaining six claims have no specified amount (2006 –12 claims with a specified amount of $1,832 and four with no specified amount). Included in the total legal claims is one claim with no specified amount (2006 - one claim with no specified amount) in which the ministry has been jointly named with another entity. Three claims (2006 – one claim) amounting to $468 (2006 - $150) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 12 FUNDS UNDER ADMINISTRATION
(in thousands)

The ministry administers funds which are managed for the purpose of various trusts and employee benefit plans, over which the Legislature has no power of appropriation. Because the province has no equity in the funds, these amounts are not included in the ministry's financial statements. As at March 31, 2007, funds under administration were as follows:

	2007			2006
	Total Assets	Total Liabilities	Net Assets (Liabilities)	Net Assets (Liabilities)
Long-Term Disability Income Continuance Plans:				
Bargaining Unit (1)	$ 128,972	$ 128,819	$ 153	$ (8,699)
Management, Opted out and Excluded (1)	40,985	30,837	10,148	8,309
Group Life Insurance Plans:				
Bargaining Unit (2)	44,021	24,346	19,675	18,612
Management, Opted out and Excluded (2)	17,526	13,942	3,584	2,822
Government of Alberta Dental Plan Trust (3)	5,915	1,352	4,563	5,011
Government Employees' Group Extended Medical Benefits Plan Trust (3)	1,890	2,347	(457)	982
Business licensing security	734	-	734	542
Miscellaneous trust funds	242	-	242	223
	$ 240,285	$ 201,643	$ 38,642	$ 27,802

(1) Financial Statements of these funds can be found in the Supplementary Ministry Financial Information section of the Ministry of Service Alberta 2006-07 Annual Report.

(2) This Group Life Insurance Plan is inclusive of Basic Group Life, Accidental Death and Dismemberment, Dependent Life, Enhanced Life and Retiree Life Insurance coverage.

(3) Trusts have a year ending December 31st.

NOTE 13 PAYMENT UNDER AGREEMENT

(in thousands)

The ministry has entered into an agreement with Statistics Canada to explore the feasibility of establishing a secure network for sharing vital event data between federal and provincial organizations. The National Routing System pilot project is fully funded by Statistics Canada. Costs incurred under this agreement are made by the ministry under authority of the *Financial Administration Act*, Section 25. Accounts payable includes $174 (2006 - $103) relating to the payment under agreement. Amount paid under the agreement with Statistics Canada is $222 (2006 - $389).

NOTE 14 DEFINED BENEFIT PLANS

(in thousands)

Multi-Employer Pension Plans

The ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $9,945 for the year ended March 31, 2007 (2006 - $8,783).

At December 31, 2006, the Management Employees Pension Plan reported a deficiency of $6,765 (2005 – $165,895) and the Public Service Pension Plan reported a surplus of $153,024 (2005 – deficiency of $187,704). At December 31, 2006, the Supplementary Retirement Plan for the Public Service Managers had a surplus of $3,698 (2005 – $10,018).

Long-Term Disability Income Continuance Plans

The ministry administers two multi-employer Long-Term Disability Income Continuance Plans. These plans are defined benefit plans to which participating employers contribute on a defined contribution basis.

For the Bargaining Unit plan, the employers contribute at a rate of 1.55 per cent of monthly insurable salary. At March 31, 2007, the Bargaining Unit Plan reported an actuarial surplus of $153 (2006 – actuarial deficiency of $8,699). Long-term disability benefits are funded equally by the employers and employees of this plan. For the Management, Opted Out and Excluded plan, the employers contribute at a rate of 1.7 per cent of monthly insurable salary. At March 31, 2007, Management, Opted Out and Excluded plan reported an actuarial surplus of $10,148 (2006 – $8,309). Long-term disability benefits are funded by the employers in this plan.

At March 31, 2007, the Government of Alberta's share of the estimated accrued benefit liability for these two plans amounting to $10,845 (2006 - $10,182) has been recognized in these financial statements (Note 12). This amount is actuarially determined as the cost of employee benefits earned net of employers' contributions, interest expense on the accrued benefit obligation, expected return on the plan assets and amortization of deferred amounts using management's best estimates and actuarial assumptions. The ministry, together with other participating ministries, records their share of employer contributions as expenses in their respective financial statements.

Group Life Insurance Plans

The ministry also administers two multi-employer Group Life Insurance plans on behalf of the Government of Alberta. These plans are defined benefit plans to which participating employers contribute on a defined contribution basis.

The Basic Group Life Insurance and Accidental Death and Dismemberment insurance is funded two-thirds by the employers and one-third by the employees for the Bargaining Unit plan and the Management, Opted Out and Excluded plan. The Retiree Life Insurance is funded by the Basic Group Life premiums. All additional coverage is optional and funded by the employees for both plans.

At March 31, 2007, the Bargaining Unit plan reported an estimated surplus of $19,675 (2006 – $18,612) and the Management, Opted Out and Excluded plan reported an estimated surplus of $3,584 (2006 – $2,822). These amounts currently subsidize claim costs and stabilize premium rates for the plans. Management produced estimates based on available March 2006 data, which was reviewed by the actuary for reasonableness. The ministry, together with other participating ministries, records their share of employer contributions as expenses in their respective financial statements.

Dental and Extended Medical Plan Trusts

The Boards of Trustees administer the multi-employer Dental and Extended Medical Plan Trusts on behalf of the employees of Government of Alberta. These plans are defined benefit plans to which participating employers contribute on a defined contribution basis.

Premium rates are recommended by the Trustees to the Government of Alberta. All additional coverage for the Management, Opted out and Excluded Plans is optional and funded by the employees.

At December 31, 2006, the Government of Alberta Dental plan reported an actuarial surplus of $4,563 (2005 – $5,010) and the Government Employees' Group Extended Medical Benefits plan reported an actuarial deficiency of $457 (2005 – surplus of $982). The Trusts receive contributions from participating employers who are responsible for withholding of employee contributions and their remittance to the trust on a monthly basis along with the employers' contributions. The ministry, together with the participating ministries, records their share of employer contributions as expenses in their respective financial statements.

NOTE 15 COMPARATIVE FIGURES

Certain 2006 figures have been reclassified to conform to the 2007 presentation.

NOTE 16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Deputy Minister, the Public Service Commissioner and the Senior Financial Officer.

Schedule to Financial Statements

MINISTRY OF SERVICE ALBERTA
REVENUES **Schedule 1**
FOR THE YEAR ENDED MARCH 31, 2007
(in thousands)

	2007		2006
	Budget	Actual	Actual
Fees and licences			
Motor Vehicles	$ 305,120	$ 341,403	$ 311,944
Land Titles	54,111	68,214	55,678
Personal Property Registry	6,174	6,576	6,150
Business Corporations Act	6,213	7,133	6,523
Vital Statistics	3,569	4,078	3,648
Marriage Licences	747	769	746
Licensing of Businesses and Trades	490	521	500
Name Changes	209	246	225
Other	158	249	78
	376,791	429,189	385,492
Other revenue			
Shared Services	96,233	75,030	112,320
Utilities Consumer Advocate	6,474	3,738	3,026
Other	2,232	1,194	3,206
	104,939	79,962	118,552
	$ 481,730	$ 509,151	$ 504,044

MINISTRY OF SERVICE ALBERTA
DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2007
(in thousands)

Schedule 2

	2007		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	Shortfall (3)
Shared Services (1)	$ 96,233	$ 72,615	$ 23,618
Utilities Consumer Advocate (2)	6,474	3,738	2,736
	$ 102,707	$ 76,353	$ 26,354

(1) The Ministry receives revenue from other Ministries to recover the cost of providing cross-government services.

(2) The Utilities Consumer Advocate represents the interests of residential, farm and small business consumers of electricity and natural gas. It influences utility regulations, policies and practices and informs consumers about electricity and natural gas issues.

Eighty per cent of its funding is received through the Balancing Pool (section 148 of the *Electric Utilities Act*) with a further twenty per cent from three provincial natural gas distributors (section 28.1 of the *Gas Utilities Act*). Current year funding came from $1,586 that was unexpended and carried over from previous year and $4,888 that was due this fiscal year. Of the total funding, $3,738 is reported as revenue; the unexpended portion of $2,736 is recorded as unearned revenue.

(3) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

MINISTRY OF SERVICE ALBERTA
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2007

Schedule 3

(in thousands)

	2007		2006 (Restated - Note 3)
	Budget	Actual	Actual
Voted			
Salaries, wages and employee benefits	$ 136,442	$ 131,824	$ 121,211
Supplies and services	187,570	165,671	199,185
Grants	-	5,300	-
Amortization of tangible capital assets and consumption of inventories	38,620	27,514	18,880
Others	300	143	174
	$ 362,932	$ 330,452	$ 339,450
Statutory			
Valuation adjustments			
Provision for doubtful accounts	$ 25	$ 57	$ 243
Provision for vacation pay	404	1,242	1,424
Provision for the Government of Alberta's share of the Long Term Disability Income Continuance Plan liability	2,635	663	1,450
Personal Property Security judgments	5	-	-
Land Titles Registrar's assurance liabilities	20	140	4
	$ 3,089	$ 2,102	$ 3,121

MINISTRY OF SERVICE ALBERTA
BUDGET
YEAR ENDED MARCH 31, 2007
(in thousands)

Schedule 4

	2006-2007 Estimates	Adjustments	2007 Budget	Authorized Supplementary [c]	Authorized Budget
Revenues					
Fees and licences					
Motor Vehicles	$ 305,120	$ -	$ 305,120	$ -	$ 305,120
Land Titles	54,111	-	54,111	-	54,111
Others	17,560	-	17,560	-	17,560
Other revenue					
Shared Services	96,233		96,233		96,233
Utilities Consumer Advocate	6,474	-	6,474	-	6,474
Others	2,232	-	2,232	-	2,232
	481,730	-	481,730	-	481,730
Expenses - directly incurred					
Voted expenses					
Ministry Support Services	13,572	-	13,572	-	13,572
Services to Albertans [a]	58,970	(2,736)	56,234	-	56,234
Services to Government [a] [b]	271,155	(21,418)	249,737	-	249,737
Personnel Administration Office	19,235	-	19,235	5,300	24,535
	362,932	(24,154)	338,778	5,300	344,078
Statutory expenses					
Valuation adjustments including provision for doubtful accounts, vacation pay and Government of Alberta's share of the Long Term Disability income Continuance Plan liability	3,064	-	3,064	-	3,064
Others	25	-	25	-	25
	3,089	-	3,089	-	3,089
	366,021	(24,154)	341,867	5,300	347,167
Net operating results	$ 115,709	$ 24,154	$ 139,863	$ (5,300)	$ 134,563
Equipment / inventory purchases [b]	$ 16,871	$ (2,200)	$ 14,671	$ -	$ 14,671
Capital investment	$ -	$ -	$ -	$ 11,730	$ 11,730

[a] Dedicated revenue (Schedule 2) was less than the budget, therefore program spending estimates were encumbered.

[b] The ministry received approval from Treasury Board to transfer $2,200 in equipment/inventory purchases to operating expenses.

[c] A supplementary estimate was approved on August 24, 2006 to increase capital investment by $11,200 for the purchase of two new aircraft and operating expenses by $5,300 for the Long-Term Disability Plan. The ministry also received approval from Treasury Board on March 8, 2007 to transfer $530 in capital investment from Infrastructure and Transportation under section 2 of the *Appropriation (Supplementary Supply) Act, 2007*.

MINISTRY OF SERVICE ALBERTA

COMPARISON OF EXPENSES - DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES (EIP), CAPITAL INVESTMENT AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

Schedule 5

YEAR ENDED MARCH 31, 2007

(in thousands)

	2007					
	2006-2007 Estimates	Adjustments	Authorized Supplementary	2006-2007 Authorized Budget	2006-2007 Actual [d]	Unexpended (Over Expended)
Voted expenses, EIP and capital investment						
Program 1 Ministry Support Services						
Minister's Office	$ 695	$ -	$ -	$ 695	$ 573	$ 122
Deputy Minister's Office	905	-	-	905	852	53
Corporate Services	11,972	-	-	11,972	12,815	(843)
	13,572	-	-	13,572	14,240	(668)
Program 2 Services to Albertans						
Registries						
Land Titles						
Operating expenses	13,320	-	-	13,320	12,788	532
Equipment / inventory purchases	-	-	-	-	280	(280)
Motor Vehicles						
Operating expenses	15,729	-	-	15,729	13,663	2,066
Equipment / inventory purchases	-	-	-	-	17	(17)
Other Registry Services						
Operating expenses	10,981	-	-	10,981	11,569	(588)
Equipment / inventory purchases	945	-	-	945	726	219
Consumer Services						
Consumer Awareness and Advocacy						
Operating expenses	12,495	-	-	12,495	13,901	(1,406)
Equipment / inventory purchases	-	-	-	-	42	(42)
Utilities Consumer Advocate (Schedule 2) [a]	6,445	(2,736)	-	3,709	3,706	3
	59,915	(2,736)	-	57,179	56,692	487
Program 3 Services to Government						
Business Services						
Procurement and Administration Services						
Operating expenses	50,115	-	-	50,115	49,210	905
Equipment / inventory purchases	1,000	-	-	1,000	933	67
Financial and Employee Services						
Operating expenses	17,680	-	-	17,680	16,048	1,632
Equipment / inventory purchases	-	-	-	-	24	(24)
Air and Vehicle Services						-
Operating expenses	4,290	-	-	4,290	5,878	(1,588)
Equipment / inventory purchases	1,850	-	-	1,850	1,563	287
Capital investment [c]	-	-	11,730	11,730	11,724	6
Amortization and consumption of inventories	1,500	-	-	1,500	647	853
Technology Services						
Technology Operations and Infrastructure						
Operating expenses	124,105	-	-	124,105	97,075	27,030
Equipment / inventory purchases	-	-	-	-	2,358	(2,358)
Enterprise Services						
Operating expenses [b]	19,575	2,200	-	21,775	23,374	(1,599)
Equipment / inventory purchases [b]	13,076	(2,200)	-	10,876	6,012	4,864
Network Services						
Operating expenses	16,795	-	-	16,795	21,678	(4,883)
Equipment / inventory purchases	-	-	-	-	3,085	(3,085)
Amortization	37,095	-	-	37,095	22,848	14,247
Dedicated revenue shortfall (Schedule 2) [a]		(23,618)	-	(23,618)	-	(23,618)
	287,081	(23,618)	11,730	275,193	262,457	12,736

MINISTRY OF SERVICE ALBERTA

COMPARISON OF EXPENSES - DIRECTLY INCURRED, EQUIPMENT/INVENTORY PURCHASES (EIP), CAPITAL INVESTMENT AND STATUTORY EXPENSES BY ELEMENT TO AUTHORIZED BUDGET

FOR THE YEAR ENDED MARCH 31, 2007

(in thousands)

Schedule 5 (cont'd)

	2007					
	2006-2007 Estimates	Adjustments	Authorized Supplementary	2006-2007 Authorized Budget	2006-2007 Actual [d]	Unexpended (Over Expended)
Voted expenses, EIP and capital investment (cont'd)						
Program 4 Personnel Administration Office						
Public Service Commissioner's Office	545	-	-	545	555	(10)
Corporate Human Resources Services	10,865	-	-	10,865	10,861	4
Information Management Services	1,825	-	-	1,825	1,961	(136)
Corporate Human Resources Research and Development	6,000	-	-	6,000	5,150	850
Bargaining Unit Long-Term Disability Income Continuance Plan [c]	-	-	5,300	5,300	5,300	-
	19,235	-	5,300	24,535	23,827	708
	379,803	(26,354)	17,030	370,479	357,216	13,263
Operating expenses	362,932	(24,154)	5,300	344,078	330,452	13,626
Equipment / inventory purchases	16,871	(2,200)	-	14,671	15,040	(369)
Capital investment [c]	-	-	11,730	11,730	11,724	6
	379,803	(26,354)	17,030	370,479	357,216	13,263
Statutory expenses						
Valuation adjustments						
Provision for doubtful accounts	25	-	-	25	57	(32)
Provision for vacation pay	404	-	-	404	1,242	(838)
Provision for the Government of Alberta's share of the Long-Term Disability Income Continuance Plan liability	2,635	-	-	2,635	663	1,972
Personal Property Security judgments	5	-	-	5	-	5
Land Titles Registrar's assurance liabilities	20	-	-	20	140	(120)
	$ 3,089	$ -	$ -	$ 3,089	$ 2,102	$ 987

[a] Dedicated revenue (Schedule 2) was less than the budget, therefore program spending estimates were encumbered.

[b] The ministry received approval from Treasury Board to transfer $2,200 in equipment/inventory purchases to operating expenses.

[c] A supplementary estimate was approved on August 24, 2006 to increase operating expenses by $5,300 for the Long-Term Disability Plan and capital investment by $11,200 for the purchase of two new aircraft. The ministry also received Treasury Board approval on March 8, 2007 to transfer $530 in capital investment from Infrastructure and Transportation under section 2 of the *Appropriation (Supplementary Supply) Act, 2007*.

[d] Includes achievement bonuses for management and opted out employees amounting to $3,526. This amount has been allocated to the relevant programs.

MINISTRY OF SERVICE ALBERTA
SALARY AND BENEFITS DISCLOSURE
DEPARTMENT OF SERVICE ALBERTA
FOR THE YEAR ENDED MARCH 31, 2007

Schedule 6(a)

	2007				2006
	Base Salary (1)	Other Cash Benefits (2)	Other Non-Cash Benefits (3)	Total	Total
Senior Official					
Deputy Minister (4)	$ 206,000	$ 59,500	$ 45,200	$ 310,700	$ 275,910
Executives					
Assistant Deputy Ministers					
Business Services (5)	142,536	39,191	32,231	213,958	145,253
Enterprise Services (6)	21,428	6,000	6,199	33,627	-
Financial Services (7)	148,260	38,021	35,849	222,130	160,897
Information Services (8)	148,403	26,300	34,740	209,443	187,561
Registries (9)	157,044	28,000	34,480	219,524	203,936
Technology Services (10)	142,598	6,855	34,299	183,752	145,153
Executive Director, Human Resources	117,420	23,100	28,370	168,890	103,046

Prepared in accordance with Treasury Board Directive 03/2004

(1) Base salary includes regular base pay.

(2) Other cash benefits include bonuses, vacation payments and lump sum payments.

(3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, retirement compensation allowance, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) An automobile is provided, but no dollar amount is included in other non-cash benefits figures.

(5) The position of Assistant Deputy Minister, Business Services was created in July 2005. Salary and benefits reported for 2006 are for the period July 1, 2005 to March 31, 2006.

(6) The position of Assistant Deputy Minister, Enterprise Services was created in February 2007. Salary and benefits reported for 2007 are for the period February 1, 2007 to March 31, 2007.

(7) The position of Assistant Deputy Minister, Financial Services was created in July 2005. Salary and benefits reported for 2006 are for the period July 18, 2005 to March 31, 2006.

(8) Resulting from the reorganization in February 2007, the former position of Assistant Deputy Minister, Government and Program Support Services became the Assistant Deputy Minister, Information Services.

(9) Resulting from the reorganization in February 2007, the former position of Assistant Deputy Minister, Consumer Services and Land Titles became the Assistant Deputy Minister, Registries.

(10) The position of Assistant Deputy Minister, Technology Services was created in July 2005. Salary and benefits reported for 2006 are for the period July 19, 2005 to March 31, 2006. This position was occupied by two individuals in 2007; only the current incumbent's achievement bonus is reported.

MINISTRY OF SERVICE ALBERTA
SALARY AND BENEFITS DISCLOSURE
PERSONNEL ADMINISTRATION OFFICE
Year ended March 31, 2007

Schedule 6(b)

	2007				2006
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Senior Official					
Public Service Commissioner [4]	$ 206,000	$ 39,500	$ 43,833	$ 289,333	$ 259,412
Executives					
Assistant Commissioners					
Human Resource Policy and Consulting	154,500	15,869	35,371	205,740	191,798
Corporate Human Resource Development	150,888	30,472	34,812	216,172	184,564
Employee Engagement	149,772	22,966	34,919	207,657	180,028
Directors					
Corporate Services and Chief Information Officer	101,940	11,459	26,109	139,508	127,672
Executive Search	105,842	20,772	26,848	153,462	139,977
Manager, Human Resources [5]	84,173	5,153	24,635	113,961	82,677

Prepared in accordance with Treasury Board Directive 03/2004.

(1) Base salary includes regular base pay.

(2) Other cash benefits include bonuses, vacation payouts, and lump sum payments.

(3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, retirement compensation allowance, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) An automobile is provided, but no dollar amount is included in other non-cash benefits figures.

(5) Position was occupied by two individuals in 2007.

MINISTRY OF SERVICE ALBERTA
RELATED PARTY TRANSACTIONS
YEAR ENDED MARCH 31, 2007

Schedule 7

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2007	2006
Revenues		
Shared services billings to other ministries (Schedule 2)	$ 72,615	$ 112,314
Expenses - directly incurred		
Insurance charges from Department of Finance	$ 185	$ 160
Parking charges from Department of Infrastructure and Transportation	6	6
	$ 191	$ 166
Tangible capital assets transferred from other Alberta Government departments and agencies (Note 7)	$ 2,434	$ 1,964
Tangible capital assets transferred to other Alberta Government departments and agencies (Note 7)	$ 3,244	$ -
Receivables due from Alberta Government departments and agencies	$ 269	$ 1,053
Payable to Department of Justice (Note 8)	$ 7,504	$ 6,726

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service.

	Other Entities	
	2007	2006
Revenues		
Shared Services	$ 68,109	$ 63,347
Air Transportation	3,348	3,485
Executive Vehicles	35	61
	$ 71,492	$ 66,893
Expenses - incurred by others [(a)]		
Accommodations from Infrastructure and Transportation	14,250	12,877
Legal services from Justice	1,195	1,221
Other	97	18
	$ 15,542	$ 14,116

[(a)] These amounts are not recorded in the financial statements, but are disclosed in Schedule 8.

MINISTRY OF SERVICE ALBERTA
ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2007
(in thousands)

Schedule 8

	2007								2006
		Expenses - Incurred by Others			Valuation Adjustments				
	Expenses [1]	Accommodation Costs [2]	Legal Services [3]	Other Costs [4]	Vacation Pay	Doubtful Accounts	Other Costs [5]	Total Expenses	Total Expenses (Restated - Note 3)
Program									
Ministry Support Services	$ 14,240	$ 665	$ 111	$ -	$ 14	$ -	$ -	$ 15,030	$ 10,392
Services to Albertans	55,627	3,938	693	-	554	57	140	61,009	54,735
Services to Government	236,758	9,134	344	97	450	-	-	246,783	274,976
Personnel Administration Office	23,827	513	47	-	224	-	663	25,274	16,584
Total expenses	$ 330,452	$ 14,250	$ 1,195	$ 97	$ 1,242	$ 57	$ 803	$ 348,096	$ 356,687

[1] Expenses - directly incurred as per the Statement of Operations, excluding valuation adjustments.

[2] Costs shown for accommodation provided by Infrastructure and Transportation on Schedule 7 are allocated to each program by employee.

[3] Costs shown for legal services provided by Justice on Schedule 7 are allocated based on estimated costs incurred by each program.

[4] Costs shown for internal audit services provided by Treasury Board are allocated based on costs incurred by each program.

[5] Costs shown are for Land Titles Registrar's assurance liabilities and the provision for Government of Alberta's share of the Long Term Disability Income Continuance Plan liability.

Long-Term Disability Income Continuance Plan Bargaining Unit

Financial Statements

March 31, 2007

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister Responsible for Corporate Human Resources

I have audited the Statement of Net Assets Available for Benefits and Accrued Long Term Disability Benefits of the Long Term Disability Income Continuance Plan—Bargaining Unit as at March 31, 2007 and the Statement of Changes in Net Assets Available for Benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Long Term Disability Benefits of the Plan as at March 31, 2007 and the Changes in its Net Assets Available for Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
May 18, 2007

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG TERM DISABILITY BENEFITS

As at March 31, 2007

	2007	2006
	($ thousands)	
Net assets available for benefits		
Assets		
Investments (Note 3)	$ 129,652	$ 112,941
Accounts receivable	193	31
	129,845	112,972
Liabilities		
Accounts payable and accrued liabilities	873	601
Net assets available for benefits	128,972	112,371
Accrued long term disability benefits (Note 6)	(128,819)	(121,070)
Actuarial surplus (deficiency) (Note 6)	**$ 153**	**$ (8,699)**

The accompanying notes and schedules are part of these financial statements

LONG TERM DISABILITY INCOME CONTINUANCE PLAN -
BARGAINING UNIT
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the year ended March 31, 2007

	2007	2006
	($ thousands)	
Increase in assets		
Contributions:		
Employers	$ 12,177	$ 11,264
Employees	12,177	11,264
Contribution from the Government of Alberta (Note 1 (b))	5,300	-
Net investment income (Note 7)	13,332	14,455
	42,986	36,983
Decrease in assets		
Benefits	22,959	20,244
Adjudication	1,689	1,619
Severance	1,039	796
Rehabilitation	400	378
Income maintenance	5	8
Administration expenses (Note 8)	293	306
	26,385	23,351
Increase in net assets	16,601	13,632
Net assets available for benefits at beginning of year	112,371	98,739
Net assets available for benefits at end of year	**$ 128,972**	**$ 112,371**

The accompanying notes and schedules are part of these financial statements.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN -

BARGAINING UNIT

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2007

Note 1 Summary Description of the Plan

The following description of the Long-Term Disability Income Continuance Plan (the Plan) for bargaining unit employees is a summary only. For a complete description of the Plan, reference should be made to section 21 of the *Public Service Act*, the Long-Term Disability Income Continuance Plan Regulation, section 98 of the *Financial Administration Act* and Treasury Board Directive 08/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta employees included in an Alberta Union of Provincial Employee's (AUPE) bargaining unit. Management and employees opted out and excluded from an AUPE bargaining unit are covered under a separate Plan.

(b) Funding Policy

Long-term disability benefits are funded equally by employer and employee contributions at rates which are expected to provide for all benefits payable under the Plan. The rates in effect at March 31, 2007 were unchanged at 1.55 per cent of insurable salary for employers and 1.55 per cent for employees. The rates are to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary and Advisory Committee.

The Government of Alberta provided additional funding of $5.3 million on October 4, 2006 to the Plan to support the increase in benefits to long-term disability recipients. Any deficiencies incurred by the Plan are funded by increasing employer and employee contributions.

(c) Long Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position or a full year in a temporary position. The Plan provides for benefits equal to 70 per cent of members' pre-disability salary. The maximum benefit payable is $4,000 per month for each member. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, benefits under the Canada Pension Plan or any other group disability plan, vacation leave pay or employment income under a rehabilitation program. At year-end, a contingent gain may exist relating to Plan members who applied for Canada Pension Plan benefits, but who have not yet been approved. If approved, an amount equal to the monthly Canada Pension Plan benefit times the number of months the person has been receiving benefits will be recovered.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war or injury or illness which are self-inflicted intentionally. Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as the member's pre-disability salary or after 24 months where the member is in a temporary position.

(d) Decrease in Assets

Expenses of the Plan include benefits paid out, adjudication fees, severance payments for resignation of employment subsequent to disability leave, rehabilitation expenses and administration expenses. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with Canadian generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year.

Plan investments are held in pooled investment funds administered by Alberta Finance or external managers appointed by Alberta Finance. Pooled investment funds have a market-based unit value that is used to allocate income to pool participants and to value purchases and sales of pool units.

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held by pooled investment funds are explained in the following paragraphs:

> Short-term securities, public fixed-income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.
>
> Private fixed-income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by investment managers of Alberta Finance.
>
> The fair value of alternative investments including absolute return strategy investments, investments in limited partnerships, private investment funds, private equities and securities with limited marketability is estimated by Alberta Finance or external managers appointed by Alberta Finance. This is done using methods such as cost, discounted cash flows, earnings multiples, prevailing market values for instruments with similar characteristics and other pricing models as appropriate.
>
> Real estate investments are reported at their most recent appraised value net of any liabilities against the real property. Real estate properties are appraised annually by qualified external real estate appraisers using methods such as replacement cost, discounted cash flows, earnings multiples, prevailing market values for properties with similar characteristics and other pricing models as appropriate.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange, except for hedged foreign currency transactions, which are translated at rates of exchange established by the terms of the forward exchange contracts. At year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income or loss.

(e) Valuation of Derivative Contracts

Derivative contracts (see Note 5) include equity and bond index swaps, interest rate swaps, forward foreign exchange contracts, equity index futures contracts, credit default swaps, cross-currency interest rate swaps and swap option contracts. The value of derivative contracts is included in the fair value of pooled investment funds. The estimated fair values of derivative contracts at the reporting date are determined by the following methods:

Equity and bond index swaps are valued based on changes in the appropriate market-based index net of accrued floating rate interest.

Interest rate swaps are valued based on discounted cash flows using current market yields.

Forward foreign exchange contracts and equity index futures contracts are based on quoted market prices.

Credit default swaps are valued based on discounted cash flows using current market yields and calculated default probabilities.

Cross-currency interest rate swaps are valued at quoted prices based on discounted cash flows using current market yields and year-end exchange rates.

Swap option contracts are valued based on discounted cash flows using current market yields and volatility parameters which measure changes in the underlying swap.

Income and expense from derivative contracts are accrued as earned and included in investment income or loss. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value.

(f) Measurement Uncertainty

In preparing these financial statements, estimates and assumptions are used in circumstances where the actual values are unknown. Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount, as there is whenever estimates are used.

Measurement uncertainty exists in the calculation of the Plan's accrued long-term disability benefits and in the valuation of the Plan's private and alternative investments and real estate. Uncertainty arises because:

(i) The Plan's actual experience may differ significantly from assumptions used in the calculation of the Plan's accrued long-term disability benefits, and

(ii) The estimated fair values of the Plan's private and alternative investments and real estate may differ significantly from the values that would have been used had a ready market existed for these investments.

While best estimates have been used in the calculation of the Plan's accrued long-term disability benefits and in the valuation of the Plan's private and alternative investments and real estate, management considers that it is possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognized amounts.

Differences between actual results and expectations are disclosed as assumption changes and net experience gains or losses that change the value of accrued long term disability benefits (see Note 6).

Differences between the estimated fair values and the amount ultimately realized are included in net investment income in the year when the ultimate realizable values are known.

Note 3 Investments (Schedules 1 to 5)

	2007		2006	
	Fair Value		Fair Value	
	($ thousands)	%	($ thousands)	%
Fixed Income Securities (Schedule 1)				
Deposit in the Consolidated Cash Investment Trust Fund (a)	$ 1,031	0.8	$ 1,425	1.3
Universe Fixed Income Pool (b)	35,693	27.6	33,038	29.3
Private Mortgage Pool (c)	5,504	4.2	5,509	4.9
Currency Alpha Pool (d)	174	0.1	125	0.1
Tactical Asset Allocation Pool (n)	392	0.3	225	0.2
Total fixed income securities	42,794	33.0	40,322	35.8
Canadian Equities (Schedule 2)				
Canadian Structured Equity Pool (e)	8,174	6.2	8,036	7.1
Canadian Pooled Equities Fund (f)	5,513	4.3	4,851	4.3
Canadian Equity Enhanced Index Pool (g)	2,718	2.1	2,345	2.1
Canadian Large Cap Equity Pool (h)	1,884	1.4	1,656	1.5
Canadian Multi-Cap Pool (i)	2,166	1.7	1,498	1.3
Growing Equity Income Pool (j)	1,183	0.9	1,003	0.9
Tactical Asset Allocation Pool (n)	(1,621)	(1.2)	(1,175)	(1.0)
	20,017	15.4	18,214	16.2
United States Equities (Schedule 3)				
U.S. Structured Equity Pool (k)	15,845	12.3	-	-
S&P500 Pooled Index Fund	-	-	15,036	13.3
Portable Alpha U.S. Equity Pool (l)	5,526	4.3	3,321	2.9
U.S. Mid/Small Cap Equity Pool (m)	3,039	2.3	2,745	2.4
Growing Equity Income Pool (j)	389	0.3	310	0.3
Tactical Asset Allocation Pool (n)	1,603	1.2	1,186	1.0
	26,402	20.4	22,598	19.9
Non-North American Equities (Schedule 4)				
EAFE Active Equity Pool (o)	18,640	14.4	16,763	14.8
EAFE Passive Equity Pool (p)	-	-	2,109	1.9
Emerging Markets Equity Pool (q)	1,371	1.1	1,150	1.0
EAFE Structured Equity Pool (p)	4,856	3.7	2,041	1.8
	24,867	19.2	22,063	19.5
Alternative Investments - Equities				
Absolute Return Strategy Pool (r)	2,838	2.2	688	0.6
Timberland Pool (s)	621	0.5	439	0.4
Private Income Pool (v)	1,314	1.0	-	-
Foreign Private Equity Pool (w)	239	0.2	-	-
Global Private Equity Pool (w)	10	-	14	-
	5,022	3.9	1,141	1.0
Real Estate Equities (Schedule 5)				
Private Real Estate Pool (t)	9,883	7.6	8,267	7.3
Foreign Real Estate Pool (u)	667	0.5	336	0.3
	10,550	8.1	8,603	7.6
Total equities	86,858	67.0	72,619	64.2
Total investments	**$ 129,652**	**100.0**	**$ 112,941**	**100.0**

(a) The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years.

(b) The Universe Fixed Income Pool (formerly the Canadian Dollar Public Bond Pool) is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation.

(c) The Private Mortgage Pool is managed with the objective of providing investment returns higher than the Scotia Capital Universe Bond Index over the long term. The portfolio is comprised primarily of high-quality commercial mortgage loans and provincial bond residuals. In order to reduce risk, the pool only invests in loans insured by a federal agency and first-mortgage loans that provide diversification by property usage and geographic location.

(d) The Currency Alpha Pool is managed with the objective of providing a fair return over a four-year period while reducing volatility through multiple manager investment style and strategies. The return is achieved through active currency management with currency positions established primarily through forward foreign exchange contracts. Participants deposit into the pool a modest amount of cash to minimize rebalancing of cash flows in or out of the pool when the forward foreign exchange contracts settle.

(e) The Canadian Structured Equity Pool (formerly the Domestic Passive Equity Pooled Fund) is managed on a passive approach with the objective of providing investment returns comparable to the total return of the Toronto Stock Exchange S&P/TSX Composite Index. The portfolio is comprised of both publicly traded Canadian equities and structured investments replicating the S&P/TSX Composite Index.

(f) The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the S&P/TSX Composite Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations and is designed to reduce risk by prudent security selection while maintaining sector neutral.

(g) The Canadian Equity Enhanced Index Pool consists of a single portfolio of publicly traded Canadian equities in the large cap market and is designed to generate a consistent level of investment return above the total return of the S&P/TSX Composite Index over a four-year period with relatively low risk.

(h) The Canadian Large Cap Equity Pool consists of multiple portfolios of publicly traded Canadian equities. Each portfolio is actively managed by an external manager with expertise in the Canadian large cap equity markets. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period while reducing return volatility through multiple managers each of whom has a different investment style and market capitalization focus.

(i) The Canadian Multi-Cap Pool consists of a single portfolio with multiple components. The large cap component is internally managed and provides exposure to the Canadian equity market through structured investments replicating the S&P/TSX 60 Index. The small/mid cap component is managed by an external manager with expertise in the Canadian small/mid cap markets. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period.

(j) The Growing Equity Income Pool is managed with the objective of providing returns higher than the return of the S&P/TSX Custom Dividend Index over a four-year period. The pool is intended to provide a steady stream of dividend income with potential for capital appreciation by investing in dividend-paying Canadian and U.S. companies that exhibit attractive valuation, growth and quality financial characteristics.

(k) On Nov. 30, 2006, all the investments held in the S&P 500 Index Pool were transferred to the newly created U.S. Structured Equity Pool. The U.S. Structured Equity Pool is passively managed. The portfolio consists of publicly traded United States equities similar in weights to the Standard & Poor's S&P 500 Index. The performance objective is to provide investment returns comparable to the total return of the S&P 500 Index over a four-year period. The pool utilizes a combination of pure security replication and synthetic replication strategies to obtain exposure to the benchmark. To enhance investment returns with no substantial increase in risks, the pool also invests in futures, swaps and other structured investments.

(l) The Portable Alpha U.S. Equity Pool provides exposure to the United States equity market by replicating the S&P 500 Index with S&P 500 index swaps and futures contracts. Externally managed absolute return strategy investments and money market instruments are actively used as underlying securities to add value to the exposure. The performance objective is to provide returns higher than the S&P 500 Index over the long term.

(m) The U.S. Mid/Small Cap Equity Pool consists of multiple portfolios of publicly traded United States equities. The portfolios are actively managed by external managers with expertise in the U.S. mid/small cap equity markets. The performance objective is to provide returns higher than the total return of the Russell 2500 Index and/or the S&P 500 Total Return Index over a four-year period while reducing return volatility through multiple manager investment styles and unique market capitalization focus.

(n) The Tactical Asset Allocation Pool provides participants with a quick, effective and efficient way to earn excess returns, on an opportunistic basis, by altering the portfolio weights of broad asset classes using synthetic instruments. At March 31, 2007, the pool is comprised of a short position through Canadian equity index futures contracts and a long position through United States equity index futures contracts. Cash and short-term securities held by the pool support approximately five to 10 per cent of the pool's notional exposure in Canadian and United States equity index futures contracts.

(o) The EAFE (Europe, Australasia and Far East) Active Equity Pool consists of multiple portfolios of publicly traded Non-North American equities. Each portfolio is actively managed by an external manager and has constraints on foreign currency management, country allocation, stock selection and investments in emerging markets. The performance objective is to provide investment returns higher than the total return of the Morgan Stanley Capital International (MSCI) EAFE Index over a four-year period while reducing return volatility through multiple manager investment styles and market diversification.

(p) The EAFE Passive Equity Pool's and the EAFE Structured Equity Pool's performance objectives are to provide returns comparable to the total return of the MSCI EAFE Index over a four-year period. The EAFE Passive Equity Pool consists of a single portfolio of Non-North American publicly traded equities similar in weights to the MSCI EAFE Index. The EAFE Structured Equity Pool is internally managed and provides exposure to foreign markets in Europe, Australasia and the Far East through the use of structured investments such as foreign equity index swaps. The EAFE Structured Equity Pool also invests in the Floating Rate Note Pool to generate the floating rate cash flows needed for its equity swap obligations.

(q) The Emerging Markets Equity Pool consists of publicly traded equities in emerging markets around the world. The portfolios are actively managed by external managers with expertise in emerging markets. The performance objective is to provide returns higher than the total return of the Morgan Stanley Capital International Emerging Markets Free (MSCI EMF) Index over a four-year period.

(r) The Absolute Return Strategy Pool is managed by external managers with the objective of providing investment returns comparable to the Consumer Price Index plus six per cent. The pool is intended to yield absolute positive investment returns with low volatility using various investment strategies.

(s) The Timberland Pool's performance objective is to provide a rate of return higher than the Consumer Price Index plus four per cent over the long term. The pool invests in a partnership interest in forestry land in British Columbia.

(t) The Private Real Estate Pool is managed with the objective of providing investment returns higher than the Investment Property Databank (IPD) Large Institutional All Property Index over the long term. Real estate is held through limited partnerships and intermediate companies, which have issued to the pool common shares and participating debentures secured by a charge on real estate. Risk is reduced by investing in properties that provide diversification by geographic location, by property type and by tenancy. The pool is intended to provide diversification from the securities market.

(u) The Foreign Real Estate Pool is managed with the objective of providing investment returns higher than the Consumer Price Index plus five per cent. The pool provides diverse exposure to non-domestic real estate by investing in foreign real estate backed securities and assets.

(v) The Private Income Pool is managed with the objective of providing investment return comparable to the Consumer Price Index plus six per cent over the long term. The pool invests in infrastructure related projects that are structured to provide high current income.

(w) The Foreign Private Equity Pool and the Global Private Equity Pool are managed with the objective of providing investment returns higher than the Consumer Price Index plus eight per cent. Private equity investments are held in institutionally sponsored private equity pools. Risk is reduced by avoiding direct investments in private companies and by limiting holdings in any single pool.

Note 4 Investment Risk Management

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices.

Actuarial liabilities of the Plan are primarily affected by the long-term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, a long-term policy asset mix of 27 per cent fixed income instruments and 73 per cent equities has been established by Alberta Finance on behalf of the Plan. Investment risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed-income instruments and restrictions on amounts exposed to countries designated as emerging markets. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts may be used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indices, interest rates or currency rates. The Plan uses derivative contracts held indirectly through pooled investment funds to enhance return, manage exposure to interest, credit and foreign currency risks, and for asset mix management purposes. The notional value of a derivative contract represents the amount to which a rate or price is applied in order to calculate the exchange of cash flows.

A swap is a contractual agreement between two counter-parties to exchange a series of cash flows based on a notional amount. An equity or bond index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional amount. For credit default swaps, parties buy and sell insurance against credit risks inherent in bonds. Periodic payments, based on a notional amount, are exchanged for a contingent payment following a defined credit event of a reference entity. Cross-currency interest rate swaps are contractual obligations in which the principal amounts of Canadian fixed-income securities denominated in a foreign currency are exchanged for Canadian currency amounts both initially and at maturity. Over the term of the cross-currency swap, counter-parties exchange fixed to fixed and fixed to floating interest rate cash flows in the swapped currencies. There are underlying securities supporting all swaps. Leveraging is not allowed.

Forward foreign exchange contracts are agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future.

Equity index futures contracts are agreements to receive or pay cash on an agreed settlement date based on changes in the level of a specified stock index in the future.

Swap option contracts include the right, but not the obligation, to enter into an interest rate swap at a preset rate within a specified period of time.

The following is a summary of the Plan's proportionate share of the notional amount and fair value of derivative contracts held by pooled funds at March 31, 2007:

	Maturity			2007		2006	
	Under 1 Year	1 to 3 Years	Over 3 Years	Notional Amount	Net Fair Value (a)	Notional Amount	Net Fair Value (a)
		%		($ thousands)			
Equity index swap contracts	78	22	-	$ 31,937	$ (48)	$ 19,898	$ 355
Credit default swap contracts	1	4	95	54,388	(180)	10,962	25
Swap option contracts	66	25	9	40,555	3		
Interest rate swap contracts	10	52	38	22,858	(53)	8,652	(17)
Forward foreign exchange contracts	100	-	-	13,286	(20)	7,103	(11)
Equity index futures contracts	100	-	-	9,206	223	6,161	129
Cross-currency interest rate swap contracts	21	44	35	9,373	266	5,939	436
Bond index swap contracts	100	-	-	12,688	22	1,983	198
				$ 194,291	$ 213	$ 60,698	$ 1,115

(a) The method of determining fair value of derivative contracts is described in Note 2 (e).

The notional amounts, upon which payments are based, are not indicative of the credit risk associated with derivative contracts. Current credit exposure is represented by the current replacement cost of all outstanding contracts in a favourable position (positive fair value). The Plan attempts to limit its credit exposure by dealing with counter-parties believed to have good credit standing.

Note 6 Accrued Long Term Disability Benefits

(a) Actuarial Valuation

An actuarial valuation of the Plan was carried out as at March 31, 2007 by Johnson Inc. The 2007 valuation resulted in an actuarial surplus of $0.2 million as disclosed in the statement of net assets available for benefits and accrued long-term disability benefits.

The accrued long-term disability benefits as at March 31, 2007 were determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve. The assumptions used in the valuation were developed as the best estimate of expected short- and long-term market conditions and other future events. These estimates were, after consultation with the Plan's actuary, adopted by the Public Service Commissioner.

The major assumptions used were:

	2007 Valuation	2006 Valuation
	%	
Interest discount rate	6.5	6.5
Continuance rates		
Based on 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	35	35

* The rates have been modified by both age and duration to reflect adjudication practices and claims termination experience respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 6.5 per cent.

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, management and the Plan's actuary determined a reserve factor of 35 per cent of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long term disability benefits.

	2007	2006
	($ thousands)	
Accrued long term disability benefits at beginning of year	$ 121,070	$ 110,556
Interest accrued on benefits	7,870	7,186
Economic adjustment to benefits	5,300	
Net experience losses (gains)	3,100	(3,531)
New claims	29,216	26,774
Terminations	(37,737)	(19,915)
Accrued long term disability benefits at end of year	**$ 128,819**	**$ 121,070**

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2007, holding the continuance rates and incurred but unreported reserve factor constant, a 0.5 per cent decrease in the assumed interest discount rate would reduce the actuarial surplus of the Plan by $3.3 million.

Note 7 Net Investment Income

(a) Net investment income is comprised of the following:

	2007	2006
	($ thousands)	
Net realized and unrealized gains on investments including those arising from derivative transactions	$ 8,608	$ 10,656
Interest income	3,288	2,561
Dividend income	1,158	949
Real estate operating income	409	404
Securities lending income	33	32
Pooled funds management and associated custodial fees	(164)	(147)
	$ 13,332	**$ 14,455**

The following is a summary of the Plan's proportionate share of net investment income by type of investments:

	2007	2006
	($ thousands)	
Fixed Income Securities	$ 2,435	$ 1,962
Canadian Equities	2,264	4,914
Foreign Equities		
United States	2,341	1,577
Non-North American	3,802	4,577
Alternative Investments	432	2
Real Estate	2,058	1,423
	$ 13,332	**$ 14,455**

(b) The Plan uses the time-weighted rate of return based on market values to measure performance. The measure involves the calculation of the return realized by the Plan over a specified period and is a measure of the total proceeds received from an investment dollar initially invested. Total proceeds include cash distributions (interest and dividend payments) and capital gains or losses (realized and unrealized).

The time-weighted rate of return measures the compounded rate of growth of the initial investment over the specified period. It is designed to eliminate the effect that the size and timing of cash flows have on the internal rate of return. The investment industry uses time-weighted rates of return calculated using market values when comparing the returns of funds with other funds or indices.

Investment returns for the Plan for the one-year and four-year periods ended March 31, 2007 are as follows:

	One Year Return				4 Year Compound Annualized Return
	2007	2006	2005	2004	
Time-weighted rates of return					
Short-term fixed income	**8.5**	3.0	2.5	3.0	**4.3**
Scotia Capital 91-Day T-Bill Index	*4.2*	*2.8*	*2.2*	*3.0*	*3.1*
Long-term fixed income	**6.0**	5.7	5.6	11.6	**7.2**
Scotia Capital Universe Bond Index	*5.5*	*4.9*	*5.0*	*10.8*	*6.5*
Canadian equities	**11.6**	29.0	15.4	36.5	**22.7**
S&P/TSX Composite Index	*11.4*	*28.4*	*13.9*	*37.7*	*22.4*
United States equities	**10.6**	8.5	(1.8)	22.0	**9.5**
Standard & Poor's 1500 Index	*9.9*	*9.1*	*(1.0)*	*20.5*	*9.4*
Non-North American equities	**17.7**	24.0	7.5	40.9	**21.9**
MSCI EAFE Index	*18.7*	*20.0*	*6.2*	*40.5*	*20.8*
Alternative Investments	**13.4**	(0.1)	n/a	n/a	**n/a**
Combined benchmark	*5.2*	*8.9*	*n/a*	*n/a*	*n/a*
Real Estate	**24.2**	20.5	16.9	7.5	**17.1**
Real Estate Index*	*20.9*	*18.1*	*7.1*	*5.7*	*13.1*
Overall	**11.8**	**14.7**	**6.9**	**23.0**	**13.9**
Policy Benchmark	***11.2***	***13.4***	***5.6***	***22.1***	***13.0***

The current sector benchmeark indices are as of March 31, 2007. Benchmark indices may have been different in prior years, therefore the benchmark returns may be a blend of different indices.

Note 8 Administration Expenses

	2007	2006
	($ thousands)	
Investment management, actuarial fees and other services	$ 98	$ 125
General administration costs	198	161
Bad debts	(3)	20
	$ 293	**$ 306**

Investment management costs were paid to Alberta Finance and do not include custodial and pooled fund management fees, which have been deducted in arriving at investment income (see Note 7 (a)).

Accommodation and legal costs incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 Contingent Liabilities

As at March 31, 2007, the province was named as defendant in two (2006 - four) legal actions relating to long-term disability benefits claims. The total claimed in one (2006 - three) of these specific legal actions amounted to approximately $94,000 (2006 - $1,264,000). The resulting loss, if any, from these claims and other potential claims cannot be determined.

Note 10 Comparative Figures

Comparative figures have been reclassified to be consistent with 2007 presentation.

Note 11 Approval of Financial Statements

These financial statements were prepared by management and approved by the Public Service Commissioner.

Schedule 1

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT

Schedule of Investments in Fixed Income Securities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 1,429	$ 1,802
Fixed Income Securities (a)		
Public		
Government of Canada, direct and guaranteed	8,707	9,127
Provincial, direct and guaranteed		
Alberta	13	16
Other	5,441	6,149
Municipal	16	167
Corporate, public and private	26,987	22,582
	41,164	38,041
Receivable from sale of investments and accrued investment income	401	814
Liabilities for investment purchases	(200)	(335)
	201	479
	$ 42,794	**$ 40,322**

(a) Fixed income securities held as at March 31, 2007 had an average effective market yield of 4.58 per cent per annum (2006 - 4.78 per cent per annum). The following term structure of these securities as at March 31, 2007 is based on principal amount:

	2007	2006
	%	
Under 1 year	4	3
1 to 5 years	30	31
6 to 10 years	37	35
11 to 20 years	10	12
Over 20 years	19	19
	100	**100**

Schedule 2

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT
Schedule of Effective Investments in Canadian Equities
March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 131	$ 93
Public Equities (a) (b)		
Consumer discretionary	1,234	986
Consumer staples	529	547
Energy	5,064	5,193
Financials	6,571	5,449
Health care	136	198
Industrials	1,025	1,113
Information technology	827	744
Materials	3,058	2,722
Telecommunication services	1,194	846
Utilities	173	192
	19,811	17,990
Receivable from sale of investments and accrued investment income	299	423
Liabilities for investment purchases	(224)	(292)
	75	131
	$ 20,017	**$ 18,214**

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in Canadian public equities includes the notional amount of Canadian equity index swap contracts and equity index futures contracts totalling $9,045 (2006 $7,600)

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Toronto Stock Exchange S&P/TSX Composite Index.

Schedule 3

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT

Schedule of Effective Investments in United States Equities

March 31, 2007

	Plan's Share	
	2007	**2006**
	($ thousands)	
Deposits and short-term securities	$ 180	$ 80
Public Equities (a) (b)		
Consumer discretionary	2,870	2,363
Consumer staples	2,378	1,893
Energy	2,526	2,112
Financial	5,622	4,720
Health care	3,171	2,881
Industrials	3,078	2,785
Information technology	3,931	3,460
Materials	907	789
Telecommunications services	854	653
Utilities	982	706
	26,319	22,362
Receivable from sale of investments and accrued investment income	156	737
Liabilities for investment purchases	(253)	(581)
	(97)	156
	$ 26,402	**$ 22,598**

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in U.S. public equities includes the notional amount of U.S. equity index swap contracts and equity index futures contracts totalling $19,154 (2006: $11,865)

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index.

Schedule 4

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT

Schedule of Effective Investments in Non-North American Equities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 265	$ 507
Public Equities (a)		
Consumer discretionary	2,968	2,513
Consumer staples	1,638	1,267
Energy	1,614	1,579
Financial	6,772	6,144
Health care	1,476	1,476
Industrials	3,504	2,834
Information technology	1,617	1,433
Materials	1,783	1,713
Telecommunications services	1,453	1,163
Utilities	1,225	921
	24,050	21,043
Emerging markets equity funds	572	446
Receivable from sale of investments and accrued investment income	301	405
Liabilities for investment purchases	(321)	(338)
	(20)	67
	$ 24,867	**$ 22,063**

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in non-North American public equities includes the notional amount of EAFE equity index swap contracts and equity index futures contracts totalling $4,808 (2006: $1,949)

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index. The following is a summary of the Plan's share of Non-North American public equities by country based on geographic location of stock exchange on which stocks were purchased:

	Plan's Share	
	2007	2006
	($ thousands)	
United Kingdom	$ 5,055	$ 4,136
Japan	4,778	4,932
France	2,718	2,156
Germany	1,928	1,440
Switzerland	1,342	1,425
Netherlands	1,166	1,093
Spain	996	583
Australia	937	785
Italy	790	674
Sweden	453	434
Other	4,459	3,831
	$ 24,622	**$ 21,489**

Schedule 5

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - BARGAINING UNIT

Schedule of Investments in Real Estate

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 11	$ 5
Real estate (a)		
Office	4,740	4,087
Retail	3,116	2,734
Industrial	1,235	860
Residential	432	372
	9,523	8,053
Foreign Private Equity Pool	667	336
Passive index	343	192
Receivable from sale of investments and accrued investment income	6	17
	$ 10,550	**$ 8,603**

(a) The following is a summary of the Plan's investment in real estate by geographic locations:

	Plan's Share	
	2007	2006
	($ thousands)	
Ontario	$ 5,568	$ 4,904
Alberta	2,898	2,254
Quebec	875	736
British Columbia	182	159
	$ 9,523	$ 8,053

Long Term Disability Income Continuance Plan Management, Opted Out and Excluded

Financial Statements

March 31, 2007

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister Responsible for Corporate Human Resources

I have audited the Statement of Net Assets Available for Benefits and Accrued Long Term Disability Benefits of the Long Term Disability Income Continuance Plan—Management, Opted Out and Excluded as at March 31, 2007 and the Statement of Changes in Net Assets Available for Benefits for the year then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Long Term Disability Benefits of the Plan as at March 31, 2007 and the Changes in its Net Assets Available for Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

FCA
Auditor General

Edmonton, Alberta
May 18, 2007

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED LONG TERM DISABILITY BENEFITS

As at March 31, 2007

	2007	2006
	($ thousands)	
Net assets available for benefits		
Assets		
Investments (Note 3)	$41,293	$34,118
Accounts receivable	5	23
	41,298	34,141
Liabilities		
Accounts payable and accrued liabilities	313	130
Net assets available for benefits	40,985	34,011
Accrued long term disability benefits (Note 6)	(30,837)	(25,702)
Actuarial surplus (Note 6)	**$10,148**	**$ 8,309**

The accompanying notes and schedules are part of these financial statements

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended March 31, 2007

	2007	2006
	($ thousands)	
Increase in assets		
Employer contributions	$ 8,641	$ 7,823
Net investment income (Note 7)	4,210	4,071
	12,851	11,894
Decrease in assets		
Benefits	5,537	4,502
Adjudication	167	140
Rehabilitation	53	60
Severance	33	-
Administration expenses (Note 8)	87	77
	5,877	4,779
Increase in net assets	6,974	7,115
Net assets available for benefits at beginning of year	34,011	26,896
Net assets available for benefits at end of year	**$ 40,985**	**$ 34,011**

The accompanying notes and schedules are part of these financial statements.

LONG TERM DISABILITY INCOME CONTINUANCE PLAN -

MANAGEMENT, OPTED OUT AND EXCLUDED

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2007

Note 1 Summary Description of the Plan

The following description of the Long Term Disability Income Continuance Plan (the Plan) for management, opted out and excluded employees is a summary only. For a complete description of the Plan, reference should be made to section 21 of the *Public Service Act*, the *Long Term Disability Income Continuance Plan Regulation*, the *Long Term Disability Benefits Regulation (Legislative Assembly Act*), section 98 of the *Financial Administration Act* and Treasury Board Directive 09/98, as amended.

(a) General

The Plan provides disability benefits and insures income continuance of eligible Government of Alberta management, opted out and excluded employees, members of the Legislative Assembly and Provincial Judges. Employees included in an Alberta Union of Provincial Employee's bargaining unit are covered under a separate Plan.

(b) Funding Policy

Long-term disability benefits are funded by employer and Government of Alberta contributions at a rate which is expected to provide for all benefits payable under the Plan. The rate in effect at March 31, 2007 was unchanged at 1.7 per cent of insurable salary for employers and the Government of Alberta. The rate is to be reviewed at least once every three years by the Public Service Commissioner based on recommendations of the Plan's actuary and advisory committee.

Any deficiencies incurred by the Plan are to be funded by increasing employer contributions.

(c) Long-Term Disability Benefits

Benefits are payable when eligible plan members become disabled for 80 consecutive normal workdays as the result of bodily injury or illness, as determined by the Plan's adjudicator. Plan members are eligible for coverage after completion of three consecutive months of service without absence in a permanent position, or a full year in a temporary position. The Plan provides for benefits equal to 70 per cent of members' pre-disability salary. Reduced benefits are payable to eligible members who receive compensation from the Workers' Compensation Board or the Crimes Compensation Board, benefits under the Canada Pension Plan or any other group disability plan, vacation leave pay or employment income under a rehabilitation program. At year-end a contingent gain may exist relating to Plan members who applied for Canada Pension Plan benefits, but who have not yet been approved. If approved, an amount equal to the monthly Canada Pension Plan benefit times the number of months the person has been receiving benefits will be recovered.

No benefit is payable if the disability is the result of injuries suffered from participation in a criminal act or an act of war, or injury or illness which are self-inflicted intentionally. Disabled members who are not under the continuous care of a physician or who are confined in prisons are not eligible for benefits.

Benefits terminate upon the earliest of the date the member resigns or is gainfully employed or is no longer disabled, three months after the adjudicator declares the member is suitable for gainful employment, or the date the member attains age 65 and is eligible for an unreduced public service pension. Benefits also terminate when a member's earnings under a rehabilitation program are the same as the member's pre-disability salary or after 24 months where the member is in a temporary position.

(d) Decrease in Assets

Expenses of the Plan include benefits paid out, rehabilitation expenses, adjudication fees, severance payments for resignation of employment subsequent to disability leave if any, and administration expenses. Adjudication fees include services performed by an independent agent in determining the eligibility of claims, the amounts of eligible benefits and the time period applicable for disability.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements are prepared on the going concern basis in accordance with Canadian generally accepted accounting principles. The statements provide information about the net assets available in the Plan to meet future benefit payments and are prepared to assist Plan members and others in reviewing the activities of the Plan for the year.

Plan investments are held in pooled investment funds administered by Alberta Finance or external managers appointed by Alberta Finance. Pooled investment funds have a market-based unit value that is used to allocate income to pool participants and to value purchases and sales of pool units.

(b) Valuation of Assets and Liabilities

Investments are stated at fair value. The methods used to determine fair value of investments held by pooled investment funds are explained in the following paragraphs:

Short-term securities, public fixed income securities and equities are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.

Private fixed income securities and mortgages are valued based on the net present value of future cash flows. These cash flows are discounted using Government of Canada bond rates adjusted for a risk premium estimated by investment managers of Alberta Finance.

The fair value of alternative investments including absolute return strategy investments, investments in limited partnerships, private investment funds, private equities and securities with limited marketability is estimated by Alberta Finance or external managers appointed by Alberta Finance. This is done using methods such as cost, discounted cash flows, earnings multiples, prevailing market values for instruments with similar characteristics and other pricing models as appropriate.

Real estate investments are reported at their most recent appraised value net of any liabilities against the real property. Real estate properties are appraised annually by qualified external real estate appraisers using methods such as replacement cost, discounted cash flows, earnings multiples, prevailing market values for properties with similar characteristics and other pricing models as appropriate.

The fair values of deposits, receivables, accrued investment income and payables are estimated to approximate their book values.

(c) Income Recognition

Dividends are accrued on the ex-dividend date. Income from other investments is accrued as earned. Gains or losses on investments are recognized concurrently with changes in fair value.

(d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars using average rates of exchange except for hedged foreign currency transactions, which are translated at rates of exchange established by the terms of the forward exchange contracts. At the year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Exchange differences are included in the determination of investment income or loss.

(e) Valuation of Derivative Contracts

Derivative contracts (see Note 5) include equity and bond index swaps, interest rate swaps, forward foreign exchange contracts, equity index futures contracts, credit default swaps, cross-currency interest rate swaps and swap option contracts. The value of derivative contracts is included in the fair value of pooled investment funds. The estimated fair value of derivative contracts at the reporting date is determined by the following methods:

Equity and bond index swaps are valued based on changes in the appropriate market based index net of accrued floating rate interest.

Interest rate swaps are valued based on discounted cash flows using current market yields.

Forward foreign exchange contracts and equity index futures contracts are based on quoted market prices.

Credit default swaps are valued based on discounted cash flows using current market yields and calculated default probabilities.

Cross-currency interest rate swaps are valued at quoted prices based on discounted cash flows using current market yields and year-end exchange rates.

Swap option contracts are valued based on discounted cash flows using current market yields and volatility parameters which measure changes in the underlying swap.

Income and expense from derivative contracts are accrued as earned and included in investment income or loss. Gains and losses on forward foreign exchange contracts are recognized concurrently with changes in fair value.

(f) Measurement Uncertainty

In preparing these financial statements, estimates and assumptions are used in circumstances where the actual values are unknown. Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount, as there is whenever estimates are used.

Measurement uncertainty exists in the calculation of the Plan's accrued long-term disability benefits and in the valuation of the Plan's private and alternative investments and real estate. Uncertainty arises because:

(i) The Plan's actual experience may differ significantly from assumptions used in the calculation of the Plan's accrued long-term disability benefits, and

(ii) The estimated fair values of the Plan's private and alternative investments and real estate may differ significantly from the values that would have been used had a ready market existed for these investments.

While best estimates have been used in the calculation of the Plan's accrued long term disability benefits and in the valuation of the Plan's private and alternative investments and real estate, management considers that it is possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognized amounts.

Differences between actual results and expectations are disclosed as assumption changes and net experience gains or losses that change the value of accrued long-term disability benefits (see Note 6).

Differences between the estimated fair values and the amount ultimately realized are included in net investment income in the year when the ultimate realizable values are known.

Note 3 Investments (Schedules 1 to 5)

	2007		2006	
	Fair Value		Fair Value	
	($ thousands)	%	($ thousands)	%
Fixed Income Securities (Schedule 1)				
Deposit in the Consolidated Cash Investment Trust Fund (a)	$ 1,099	2.7	$ 989	2.9
Universe Fixed Income Pool (b)	11,409	27.6	9,763	28.6
Private Mortgage Pool (c)	1,532	3.7	1,534	4.5
Currency Alpha Pool (d)	52	0.1	34	0.1
Tactical Asset Allocation Pool (n)	119	0.3	60	0.2
Total fixed income securities	14,211	34.4	12,380	36.3
Canadian Equities (Schedule 2)				
Canadian Structured Equity Pool (e)	2,532	6.1	2,479	7.2
Canadian Pooled Equities Fund (f)	1,731	4.2	1,553	4.6
Canadian Equity Enhanced Index Pool (g)	871	2.1	790	2.3
Canadian Large Cap Equity Pool (h)	609	1.5	540	1.6
Canadian Multi-Cap Pool (i)	649	1.6	362	1.1
Growing Equity Income Pool (j)	374	0.9	345	1.0
Tactical Asset Allocation Pool (n)	(495)	(1.2)	(312)	(0.9)
	6,271	15.2	5,757	16.9
United States Equities (Schedule 3)				
U.S. Structured Equity Pool (k)	4,937	12.0	-	-
S&P 500 Index Fund	-	-	4,402	12.9
Portable Alpha U.S. Equity Pool (l)	1,694	4.1	902	2.7
U.S. Mid/Small Cap Equity Pool (m)	924	2.2	718	2.1
Growing Equity Income Pool (j)	123	0.3	107	0.3
Tactical Asset Allocation Pool (n)	490	1.2	315	0.9
	8,168	19.8	6,444	18.9
Non-North American Equities (Schedule 4)				
EAFE Active Equity Pool (o)	5,835	14.1	4,959	14.5
EAFE Passive Equity Pool (p)	-	-	616	1.8
Emerging Markets Equity Pool (q)	441	1.1	345	1.0
EAFE Structured Equity Pool (p)	1,559	3.8	877	2.6
	7,835	19.0	6,797	19.9
Alternative Investments - Equities				
Absolute Return Strategy Pool (r)	875	2.1	164	0.5
Timberland Pool (s)	166	0.4	117	0.3
Private Income Pool (v)	375	0.9	4	-
Foreign Private Equity Pool (w)	90	0.2	-	-
Global Private Equity Pool (w)	1	-	-	-
	1,507	3.6	285	0.8
Real Estate Equities (Schedule 5)				
Private Real Estate Pool (t)	3,140	7.6	2,374	6.9
Foreign Real Estate Pool (u)	161	0.4	81	0.3
	3,301	8.0	2,455	7.2
Total equities	27,082	65.6	21,738	63.7
Total investments	**$ 41,293**	**100.0**	**$ 34,118**	**100.0**

(a) The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed-income securities with a maximum term to maturity of three years.

(b) The Universe Fixed Income Pool (formerly the Canadian Dollar Public Bond Pool) is managed with the objective of providing competitive returns comparable to the total return of the Scotia Capital Universe Bond Index over a four-year period while maintaining adequate security and liquidity of participants' capital. The portfolio is comprised of high quality Canadian fixed income instruments and debt related derivatives. Competitive returns are achieved through management of the portfolio duration and sector rotation.

(c) The Private Mortgage Pool is managed with the objective of providing investment returns higher than the Scotia Capital Universe Bond Index over the long term. The portfolio is comprised primarily of high-quality commercial mortgage loans and provincial bond residuals. In order to reduce risk, the pool only invests in loans insured by a federal agency and first-mortgage loans that provide diversification by property usage and geographic location.

(d) The Currency Alpha Pool is managed with the objective of providing a fair return over a four-year period while reducing return volatility through multiple manager investment style and strategies. The return is achieved through active currency management with currency positions established primarily through forward foreign exchange contracts. Participants deposit into the pool a modest amount of cash to minimize rebalancing of cash flows in or out of the pool when the forward foreign exchange contracts settle.

(e) The Canadian Structured Equity Pool (formerly the Domestic Passive Equity Pooled Fund) is managed on a passive approach with the objective of providing investment returns comparable to the total return of the S&P/TSX Composite Index. The portfolio is comprised of both publicly traded Canadian equities and structured investments replicating the S&P/TSX Composite Index.

(f) The Canadian Pooled Equities Fund is managed with the objective of providing returns higher than the total return of the S&P/TSX Composite Index over a four-year period while maintaining preservation of participants' capital. The portfolio is comprised of publicly traded equities in Canadian corporations and is designed to reduce risk by prudent security selection while maintaining sector neutral.

(g) The Canadian Equity Enhanced Index Pool consists of a single portfolio of publicly traded Canadian equities in the large cap market and is designed to generate a consistent level of investment return above the total return of the S&P/TSX Composite Index over a four-year period with relatively low risk.

(h) Canadian Large Cap Equity Pool consists of multiple portfolios of publicly traded Canadian equities. Each portfolio is actively managed by an external manager with expertise in the Canadian large cap equity markets. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period while reducing return volatility through multiple managers each of whom has a different investment style and market capitalization focus.

(i) The Canadian Multi-Cap Pool consists of a single portfolio with multiple components. The large cap component is internally managed and provides exposure to the Canadian equity market through structured investments replicating the S&P/TSX 60 Index. The small/mid cap component is managed by an external manager with expertise in the Canadian small/mid cap markets. The performance objective is to provide investment returns higher than the total return of the S&P/TSX Composite Index over a four-year period.

(j) The Growing Equity Income Pool is managed with the objective of providing returns higher than the total return of the S&P/TSX Custom Dividend Index over a four-year period. The pool is intended to provide a steady stream of dividend income with potential for capital appreciation by investing in dividend-paying Canadian and U.S. companies that exhibit attractive valuation, growth and quality financial characteristics.

(k) On November 30, 2006, all of the investments held in the S&P 500 Index Pool were transferred to the newly created U.S. Structured Equity Pool. The U.S. Structured Equity Pool is passively managed. The portfolio is comprised of publicly traded United States equities similar in weights to the Standards & Poor's S&P 500 Index. The performance objective is to provide investment returns comparable to the total return of the S&P 500 Index over a four-year period. The pool utilizes a combination of pure security replication and synthetic replication strategies to obtain exposure to the benchmark. To enhance investment returns with no substantial increase in risks, the pool also invests in futures, swaps and other structured investments.

(l) The Portable Alpha U.S. Equity Pool provides exposure to the United States equity market by replicating the S&P 500 Index with S&P 500 index swaps and futures contracts. Externally managed absolute return strategy investments and money market instruments are actively used as underlying securities to add value to the exposure. The performance objective is to provide returns higher than the S&P 500 Index over the long term.

(m) The U.S. Mid/Small Cap Equity Pool consists of multiple portfolios of publicly traded United States equities. The portfolios are actively managed by external managers with expertise in the U.S. mid/small cap equity markets. The performance objective is to provide returns higher than the total return of the Russell 2500 Index and/or the S&P 500 Total Return Index over a four-year period while reducing return volatility through multiple manager investment styles and unique market capitalization focus.

(n) The Tactical Asset Allocation Pool provides participants with a quick, effective and efficient way to earn excess returns on an opportunistic basis, by altering the portfolio weights of broad asset classes using synthetic instruments. At March 31, 2007, the pool is comprised of a short position through Canadian equity index futures contracts and a long position through United States equity index futures contracts. Cash and short-term securities held by the pool support approximately five to 10 per cent of the pool's notional exposure in Canadian and United States equity index futures contracts.

(o) The EAFE (Europe, Australasia and Far East) Active Equity Pool consists of multiple portfolios of publicly traded Non-North American equities. Each portfolio is actively managed by an external manager and has constraints on foreign currency management, country allocation, stock selection and investments in emerging markets. The performance objective is to provide investment returns higher than the total return of the Morgan Stanley Capital International (MSCI) EAFE Index over a four-year period while reducing return volatility through multiple manager investment styles and market diversification.

(p) The EAFE Passive Equity Pool's and the EAFE Structured Equity Pool's performance objective is to provide returns comparable to the total return of the MSCI EAFE Index over a four-year period. The External Managers EAFE Passive Equity Pool consists of a single portfolio of non-North American publicly traded equities similar in weights to the MSCI EAFE

Index. The EAFE Structured Equity Pool is internally managed and provides exposure to foreign markets in Europe, Australasia and the Far East through the use of structured investments such as foreign equity index swaps. The EAFE Structured Equity Pool also invests in the Floating Rate Note Pool to generate the floating rate cash flows needed for its equity swap obligations.

(q) The Emerging Markets Equity Pool consists of publicly traded equities in emerging markets around the world. The portfolios are actively managed by external managers with expertise in emerging markets. The performance objective is to provide returns higher than the total return of the Morgan Stanley Capital International Emerging Markets Free (MSCI EMF) Index over a four-year period.

(r) The Absolute Return Strategy Pool is managed by external managers with the objective of providing investment returns comparable to the Consumer Price Index plus six per cent. The pool is intended to yield absolute positive investment returns with low volatility using various investment strategies.

(s) The Timberland Pool's performance objective is to provide a rate of return higher than the Consumer Price Index plus four per cent over the long term. The pool invests in a partnership interest in forestry land in British Columbia.

(t) The Private Real Estate Pool is managed with the objective of providing investment returns higher than the Investment Property Databank (IPD) Large Institutional All Property Index over the long term. Real estate is held through limited partnerships and intermediate companies, which have issued to the pool common shares and participating debentures secured by a charge on real estate. Risk is reduced by investing in properties that provide diversification by geographic location, by property type and by tenancy. The pool is intended to provide diversification from the securities market.

(u) The Foreign Real Estate Pool is managed with the objective of providing investment returns higher than the Consumer Price Index plus five per cent. The pool provides diverse exposure to non-domestic real estate by investing in foreign real estate backed securities and assets.

(v) The Private Income Pool is managed with the objective of providing investment return comparable to the Consumer Price Index plus six per cent over the long term. The pool invests in infrastructure related projects that are structured to provide high current income.

(w) The Foreign Private Equity Pool and the Global Private Equity Pool are managed with the objective of providing investment returns higher than the Consumer Price Index plus eight per cent. Private equity investments are held in institutionally sponsored private equity pools. Risk is reduced by avoiding direct investments in private companies and by limiting holding in any single pool.

Note 4 Investment Risk Management

Fair values of investments are exposed to credit risk and price risk. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk relates to the possibility that the investments will change in value due to future fluctuations in foreign exchange rates. Interest rate risk relates to the possibility that the investments will change in value due to future fluctuations in market interest rates. Market risk relates to the possibility that the investments will change in value due to future fluctuations in market prices.

Actuarial liabilities of the Plan are primarily affected by the long-term real rate of return on investments. In order to earn the best possible return at an acceptable level of risk, a long-term policy asset mix of 27 per cent fixed income instruments and 73 per cent equities has been established by Alberta Finance on behalf of the Plan. Investment risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions on amounts exposed to countries designated as emerging markets. Controls are in place respecting the use of derivatives (see Note 5). Forward foreign exchange contracts may be used to manage currency exposure in connection with securities purchased in foreign currency (see Note 5).

Note 5 Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indices, interest rates or currency rates. The Plan uses derivative contracts held indirectly through pooled investment funds to enhance return, manage exposure to credit, interest and foreign currency risks, and for asset mix management purposes. The notional value of a derivative contract represents the amount to which a rate or price is applied in order to calculate the exchange of cash flows.

A swap is a contractual agreement between two counter-parties to exchange a series of cash flows based on a notional amount. An equity or bond index swap involves the exchange of a floating interest rate cash flow for one based on the performance of a market index. For interest rate swaps, parties generally exchange fixed and floating rate interest cash flows based on a notional amount. For credit default swaps, parties buy and sell insurance against credit risks inherent in bonds. Periodic payments, based on a notional amount, are exchanged for a contingent payment following a defined credit event of a reference entity. Cross-currency interest rate swaps are contractual obligations in which the principal amounts of Canadian fixed-income securities denominated in a foreign currency are exchanged for Canadian currency amounts both initially and at maturity. Over the term of the cross-currency swap, counter-parties exchange fixed to fixed and fixed to floating interest rate cash flows in the swapped currencies.

There are underlying securities supporting all swaps. Leveraging is not allowed.

Forward foreign exchange contracts are agreements to exchange specified currencies at an agreed upon exchange rate and on an agreed settlement date in the future.

Equity index futures contracts are agreements to receive or pay cash on an agreed settlement date based on changes in the level of a specified stock index in the future.

Swap option contracts include the right, but not the obligation, to enter into an interest rate swap at a preset rate within a specified period of time.

The following is a summary of the Plan's proportionate share of the notional amount and fair value of derivative contracts held by pooled funds at March 31, 2007:

	Maturity			2007		2006	
	Under 1 Year	1 to 3 Years	Over 3 Years	Notional Amount	Net Fair Value (a)	Notional Amount	Net Fair Value (a)
		%			($ thousands)		
Equity index swap contracts	78	22	-	$ 9,940	$ (15)	$ 6,089	$ 114
Credit default swap contracts	1	4	95	17,373	(58)	3,258	8
Swap Option contracts	66	24	10	12,963	1	-	-
Interest rate swap contracts	10	52	38	7,265	(17)	2,637	(5)
Forward foreign exchange contracts	100	-	-	3,959	(7)	1,957	(2)
Cross-currency interest rate swap contracts	21	44	35	2,942	84	1,813	133
Equity index futures contracts	100	-	-	2,826	68	1,708	36
Bond index swap contracts	100	-	-	4,054	7	609	64
				$ 61,322	$ 63	$ 18,071	$ 348

(b) The method of determining fair value of derivative contracts is described in Note 2 (e).

The notional amounts, upon which payments are based, are not indicative of the credit risk associated with derivative contracts. Current credit exposure is represented by the current replacement cost of all outstanding contracts in a favourable position (positive fair value). The Plan attempts to limit its credit exposure by dealing with counterparties believed to have good credit standing.

Note 6 Accrued Long Term Disability Benefits

(a) Actuarial Valuation

An actuarial valuation of the Plan was carried out as at March 31, 2007 by Johnson Inc. The 2007 valuation resulted in an actuarial surplus of $10.1 million as disclosed in the statement of net assets available for benefits and accrued long term disability benefits.

The accrued long-term disability benefits as at March 31, 2007 were determined using the projected benefit method based on estimates of the Plan's Disabled Life Reserve and the Incurred But Unreported Reserve (IBUR). The assumptions used in the valuation were developed as the best estimate of expected short and long term market conditions and other future events. These estimates were, after consultation with the Plan's actuary, adopted by the Public Service Commissioner.

The major assumptions used were:

	2007 Valuation	2006 Valuation
	%	
Interest discount rate	6.5	6.5
Continuance rates		
Based on the 1984 Commissioner's Group Disability Table	Modified*	Modified*
Incurred but unreported reserve factor		
As percentage of premiums	40	35

* The rates have been modified by both age and duration to reflect adjudication practices and claims termination experience respecting disability definition specific to this plan.

The Disabled Life Reserve is an estimate of the value of future payments to be made over the life of incurred claims, discounted to a current value using a rate of 6.5 per cent.

The Incurred But Unreported Reserve is an estimate of the value of the financial impact of claims that are either unreported or not approved at the fiscal year end, but which will ultimately be accepted for benefits. Based on a review of historical reserves, management and the Plan's actuary determined a reserve factor of 40 per cent of premiums was appropriate for estimating the reserve amount.

The following statement shows the principal components of the change in the value of accrued long-term disability benefits:

		2007		2006
		($ thousands)		
Accrued long term disability benefits at beginning of year	$	25,702	$	23,688
Interest accrued on benefits		1,671		1,540
Change in actuarial assumption of increase in IBUR reserve factor		524		-
Economic adjustment to benefits		1,000		-
Net experience losses (gains)		576		(1,135)
New claims		9,415		7,841
Terminations		(8,051)		(6,232)
Accrued long term disability benefits at end of year	**$**	**30,837**	**$**	**25,702**

(b) Sensitivity of Changes in Major Assumptions

The Plan's future experience will inevitably differ, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations and will affect the financial position of the Plan.

As at March 31, 2007, holding the continuance rates and incurred but unreported reserve factor constant, a 0.5 per cent decrease in the assumed interest discount rate would reduce the actuarial surplus of the Plan by $0.7 million.

Note 7 Net Investment Income

(a) Net investment income is comprised of the following:

	2007	2006
	($ thousands)	
Net realized and unrealized gains on investments including those arising from derivative transactions	$ 2,741	$ 2,971
Interest income	1,030	756
Dividend income	353	263
Real estate operating income	126	112
Securities lending income	10	9
Pooled funds management and associated custodial fees	(50)	(40)
	$ 4,210	**$ 4,071**

(b) The following is a summary of the Plan's proportionate share of net investment income by type of investments:

	2007	2006
	($ thousands)	
Fixed Income Securities	$ 761	$ 564
Canadian Equities	713	1,377
Foreign Equities		
United States	766	454
Non-North American	1,212	1,278
Alternative Investments	121	(1)
Real Estate	637	399
	$ 4,210	**$ 4,071**

(c) The Plan uses the time-weighted rate of return based on market values to measure performance. The measure involves the calculation of the return realized by the Plan over a specified period and is a measure of the total proceeds received from an investment dollar initially invested. Total proceeds include cash distributions (interest and dividend payments) and capital gains or losses (realized and unrealized).

The time-weighted rate of return measures the compounded rate of growth of the initial investment over the specified period. It is designed to eliminate the effect that the size and timing of cash flows have on the internal rate of return. The investment industry uses time-weighted rates of return calculated using market values when comparing the returns of funds with other funds or indices.

Investment returns for the Plan for the one-year and four-year periods ended March 31, 2007 are as follows:

	One Year Return				4 Year Compound Annualized Return
	2007	**2006**	**2005**	**2004**	
Time-weighted rates of return					
Short-term fixed income	**7.0**	3.0	2.6	3.1	**3.9**
Scotia Capital 91-Day T-Bill Index	*4.2*	*2.8*	*2.2*	*3.0*	*3.1*
Long-term fixed income	**6.0**	5.7	5.6	11.6	**7.2**
Scotia Capital Universe Bond Index	*5.5*	*4.9*	*5.0*	*10.8*	*6.5*
Canadian equities	**11.6**	29.0	15.4	36.6	**22.7**
S&P/TSX Composite Index	*11.4*	*28.4*	*13.9*	*37.7*	*22.4*
United States equities	**10.6**	8.4	(1.7)	22.0	**9.5**
Standard & Poor's 1500 Index	*9.9*	*9.1*	*(1.0)*	*20.5*	*9.4*
Non-North American equities	**17.7**	23.7	7.4	40.9	**21.8**
MSCI EAFE Index	*18.7*	*20.0*	*6.2*	*40.5*	*20.8*
Alternative Investments	**12.9**	(0.5)	n/a	n/a	**n/a**
Combined benchmark	*5.2*	*8.9*	*n/a*	*n/a*	*n/a*
Real Estate	**24.4**	20.7	16.9	7.5	**16.1**
Real Estate Index	*20.9*	*18.1*	*7.1*	*5.7*	*13.1*
Overall	**11.7**	**14.6**	**6.8**	**22.7**	**13.8**
Policy Benchmark	***11.2***	***13.4***	***5.6***	***22.1***	***13.0***

Note 8 Administration Expenses

	2007	2006
	($ thousands)	
Investment management, actuarial fees and other services	$ 40	$ 44
General administration costs	47	33
	$ 87	**$ 77**

Investment management fees were paid to Alberta Finance and do not include custodial and pooled fund management fees, which have been included in the calculation of net investment income (see Note 7(a)).

Accommodation and legal costs incurred on behalf of the Plan by the Government of Alberta have not been included in the Plan's expenses. These costs are recorded by the Government of Alberta and are not recovered from the Plan.

Note 9 Comparative Figures

Comparative figures have been reclassified to be consistent with 2007 presentation.

Note 10 Approval of Financial Statements

These financial statements were prepared by management and approved by the Public Service Commissioner.

Schedule 1

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

Schedule of Investments in Fixed Income Securities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 1,221	$ 1,098
Fixed Income Securities (a)		
Public		
Government of Canada, direct and guaranteed	2,781	2,692
Provincial, direct and guaranteed		
Alberta	4	5
Other	1,726	1,812
Municipal	5	49
Corporate, public and private	8,411	6,584
	12,927	11,142
Receivable from sale of investments and accrued investment income	127	238
Liabilities for investment purchases	(64)	(98)
	63	140
	$ 14,211	**$ 12,380**

(a) Fixed income securities held as at March 31, 2007 had an average effective market yield of 4.57 per cent per annum (2006 - 4.78 per cent per annum). The following term structure of these securities as at March 31, 2007 was based on principal amount:

	2007	2006
	%	
Under 1 year	4	3
1 to 5 years	31	31
6 to 10 years	36	35
11 to 20 years	10	12
Over 20 years	19	19
	100	**100**

Schedule 2

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

Schedule of Effective Investments in Canadian Equities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 42	$ 29
Public Equities (a) (b)		
Consumer discretionary	387	311
Consumer staples	166	173
Energy	1,585	1,640
Financials	2,059	1,728
Health care	42	62
Industrials	321	352
Information technology	260	235
Materials	957	861
Telecommunication services	375	268
Utilities	54	60
	6,206	5,690
Receivable from sale of investments and accrued investment income	94	132
Liabilities for investment purchases	(71)	(94)
	23	38
	$ 6,271	**$ 5,757**

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in Canadian public equities includes the notional amount of Canadian equity index swap contracts and equity index futures contracts totalling $2,780 (2006 - 2,227).

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Toronto Stock Exchange S&P/TSX Composite Index.

Schedule 3

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

Schedule of Effective Investments in United States Equities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 55	$ 21
Public Equities (a) (b)		
Consumer discretionary	887	671
Consumer staples	737	545
Energy	782	604
Financials	1,740	1,356
Health care	980	818
Industrials	952	790
Information technology	1,216	983
Materials	280	222
Telecommunication services	265	187
Utilities	304	202
	8,143	6,378
Receivable from sale of investments and accrued investment income	48	214
Liabilities for investment purchases	(78)	(169)
	(30)	45
	$ 8,168	**$ 6,444**

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in U.S. public equities includes the notional amount of US equity index swap contracts and equity index futures contracts totalling $5,931 (2006 $3,371).

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index.

Schedule 4

LONG TERM DISABILITY INCOME CONTINUANCE PLAN - MANAGEMENT, OPTED OUT AND EXCLUDED

Schedule of Effective Investments in Non-North American Equities

March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 83	$ 150
Public Equities (a) (b)		
Consumer discretionary	934	775
Consumer staples	516	394
Energy	508	487
Financial	2,134	1,892
Health care	465	456
Industrials	1,102	867
Information technology	509	440
Materials	562	528
Telecommunications services	458	357
Utilities	386	285
	7,574	6,481
Emerging markets pooled funds	184	134
Receivable from sale of investments and accrued investment income	95	152
Liabilities for investment purchases	(101)	(120)
	(6)	32
	$ 7,835	6,797

(a) Direct investments and derivative contracts are classified based on the risk exposure to the above asset mix categories. The Plan's effective net investment in non-American public equities includes the notional amount of EAFE equity index swap contracts and equity index futures contracts totalling $1,543 (2006 $838).

(b) The sector classification conforms to the Global Industry Classification Standard followed by the Standard & Poor's S&P 500 Index. The following is a summary of the Plan's share of Non-North American public equities by country based on geographic location of stock exchange on which stocks were purchased:

	Plan's Share	
	2007	2006
	($ thousands)	
United Kingdom	$ 1,593	$ 1,284
Japan	1,504	1,524
France	855	661
Germany	606	444
Switzerland	423	439
Netherlands	366	333
Spain	313	182
Australia	296	245
Italy	249	209
Sweden	143	135
Other	1,410	1,159
	$ 7,758	**$ 6,615**

Schedule 5

LONG TERM DISABILITY INCOME CONTINUANCE PLAN
MANAGEMENT, OPTED OUT AND EXCLUDED
Schedule of Investments in Real Estate
March 31, 2007

	Plan's Share	
	2007	2006
	($ thousands)	
Deposits and short-term securities	$ 3	$ 1
Real Estate (a)		
Office	1,507	1,174
Retail	990	785
Industrial	392	247
Residential	137	107
	3,026	2,313
Foreign Private Real Estate Pool	161	81
Participation units	109	55
Receivable from sale of investments and accrued investment income	2	5
	$ 3,301	**$ 2,455**

(a) The following is a summary of the Plan's investment in real estate by geographic locations:

	Plan's Share	
	2007	2006
	($ thousands)	
Ontario	$ 1,769	$ 1,408
Alberta	921	647
Quebec	278	212
British Columbia	58	46
	$ 3,026	**$ 2,313**

OTHER INFORMATION

Other Information

Ministry of Service Alberta

Write-offs of Accounts Receivable

For the year ended March 31, 2007

(in thousands)

Unaudited

The following statement has been prepared pursuant to section 23 of the *Financial Administration Act*.

During 2006-07, 58 accounts receivable totalling $233 were written off. Of this, eight accounts related to Land Titles totalling $231, where one amounted to $227. The remainder of the write-offs all related to Motor Vehicle receivables.

Acts Administered by Service Alberta

Act	Description
Agricultural and Recreational Land Ownership Act	Designed to prevent non-Canadians from buying significant amounts of prime agricultural and recreational land. However, the act does not discourage non-Canadian investors who wish to come to Alberta to invest in or to build new manufacturing plants, processing operations, recreational developments or home subdivisions or to expand existing developments.
Business Corporations Act	Provides a mechanism for businesses to incorporate, change a corporate name, file amendments to its articles, amalgamate, dissolve, file annual returns and list directors and shareholders of a company.
Cemeteries Act	Regulates the disposition of human remains; ensures cemeteries meet requirements of local authorities, and protects consumers who invest in pre-need cemetery supplies and services and ensures there are perpetual care funds for long-term care of commercial cemeteries.
Cemetery Companies Act	Provides authority for seven or more people to form a company for the purpose of establishing one or more public cemeteries as well as establishing the method of forming a cemetery company and the operating rules. This act only exists to govern existing cemetery companies. Establishment of new cemeteries is now governed by the *Cemeteries Act*, which restricts the establishment of new cemeteries to religious organizations and municipalities.
Change of Name Act	Provides the eligibility to change one's name and a process to register a name change.
Charitable Fund-raising Act	Sets standards for charitable organizations and professional fund-raisers when soliciting contributions and helps protect the public from fraudulent, misleading or confusing solicitations. Ensures that members of the public have sufficient information to make informed decisions when making charitable donations.
Companies Act	Allows companies with objectives other than the acquisition of gain to incorporate.
Condominium Property Act	Provides the legislative framework for the creation and operation of any form of condominium, including residential and commercial. This act applies to anyone who develops, owns or manages condominium property.
Cooperatives Act	Repeals and replaces the *Co-operative Associations Act* to meet the needs of the cooperative sector in general, provide for specialized co-operatives, including new generation co-operatives and harmonize Alberta's legislation with federal and provincial co-operatives legislation.
Debtors' Assistance Act	Establishes a Debtors' Assistance Board with powers to provide service, advice and non-financial assistance to debtors who are unable to meet their liabilities.

Act	Description
Dower Act	Grants a married person rights with respect to the disposition of the homestead. This includes the right of the surviving spouse to a life estate in the homestead as well as the personal property of the deceased married person.
Electronic Transactions Act	Removes barriers to electronic commerce by ensuring that electronic records and transactions have the same validity and enforceability as traditional paper-based transactions.
Fair Trading Act	Enhances consumer protection through remedies, enforcement tools, and tougher penalties intended to discourage unfair practices in the marketplace. The act simplifies procedures for business, providing clearer standards to ensure a more level playing field.
Franchises Act	Governs the trading of franchises in Alberta ensuring that a prospective purchaser has the necessary information to make an informed investment decision and the civil remedies to deal with breaches of the act. Provides a means by which franchisors and franchisees will be able to govern themselves and promote fair dealing among themselves.
Freedom of Information & Protection of Privacy Act	Sets out the parameters for obtaining access to records of public bodies, including exceptions to disclosure, third party intervention rights and protection of public health and safety. Also sets out the parameters for the collection, use and disclosure of personal information and defines the powers of the Information and Privacy Commissioner and the process for handling complaints.
Funeral Services Act	Regulates the activities of the funeral industry and allows for the creation of the Alberta Funeral Services Regulatory Board to administer the act.
Garage Keepers' Lien Act	Allows a garage keeper to register in the Personal Property Registry a lien against an owner's vehicle to enforce an unpaid debt for repairs, parts or storage.
Government Organization Act, Schedule 11, s. 2	Provides that the Lieutenant Governor in Council may make regulations, which may be general or limited to the supplies or to the department designated in the regulation, provide for the manner in which acquisitions of supplies otherwise than through the Minister are to be made by a department.
Government Organization Act, Schedule 11, s. 14	Provides that the Lieutenant Governor in Council may make regulations respecting management of departmental records, the establishment of programs for any matter involving the management of records and defining and classifying records.
Government Organization Act, Schedule 12	Establishes a division of the government known as Alberta Registries and sets out the statutory functions of that division.
Government Organization Act, Schedule 13	Provides the Minister with authority to develop and implement policies, programs, services and administration procedures in matters pertaining to consumer protection.

Act	Description
Land Titles Act	Details the mechanism for and legal effects of registration of land-related documents and establishes priorities between them. The government guarantees the title and compensates people who have been deprived of an interest in land (e.g. by error of the Registrar or fraud).
Law of Property Act	Provides legal principles in regard to property rights which are the subject of instruments such as contracts, conveyances and mortgages.
Marriage Act	Provides the legal authority to perform marriages (both religious and civil) as well as the legal requirements for the issuance of marriage licences and certificates.
Mobile Home Sites Tenancies Act	Deals with landlord and tenant issues relating to mobile home sites in Alberta, setting minimum standards of conduct for both landlords and tenants.
Motor Vehicle Accident Claims Act, s. 2 & 3	Provides that the owner of every motor vehicle shall in each year pay a fee in respect to that motor vehicle in the amount prescribed by regulation before the vehicle can be registered.
Partnership Act	Provides legal authority for persons to associate in partnerships, and provides rules governing their activities. It also provides for the filing of trade names.
Personal Information Protection Act	Establishes clear, concise rules governing private sector organizations when collecting, using and disclosing personal information.
Personal Property Security Act (except Part 5)	Provides the legal mechanism for all registrations and searches in the Personal Property registry including registrations authorized under other acts. It also regulates the relationship between secured parties and debtors when personal property is used as collateral to secure payment of a debt or performance of an obligation.
Possessory Liens Act	Allows a person who has a particular lien for the payment of a debt on a chattel on which the person has expended money, labour or skill to file a lien in the Personal Property registry.
Queen's Printer Act	The *Queen's Printer Act* is enabling legislation that authorizes the publication of the official gazette (the Alberta Gazette) to provide notice of proclamations; Orders-in-Council; official notices; and advertisements and documents relating to matters within control of the Legislative Assembly of Alberta. The Queen's Printer prints and publishes the Statutes of Alberta and appoints a Queen's Printer for the Province of Alberta.
Real Estate Act	Provides for the creation of a Real Estate Council to set and enforce standards of conduct.
Religious Societies' Land Act	Establishes a mechanism by which a religious society or congregation may hold land. It also ensures dealings with the land held by a religious society are done in accordance with the wishes of the congregation or religious society.

Act	Description
Residential Tenancies Act	Provides a framework for landlord and tenant relations in Alberta, setting minimum standards of conduct for both landlords and tenants.
Societies Act	Provides legal authority for a society to incorporate for a non-profit purpose and file by-laws for governance of the society.
Surveys Act s. 5(1)(d) and (2)(b) - shared with Sustainable Resource Development	Co-ordinates the establishment and maintenance of a land-related information system network, a mapping system, and a cartographic service.
Traffic Safety Act - shared with Alberta Infrastructure and Transportation	Providing rules for the registration and operation of motor vehicles, as well as other matters, this act came into force in May 2003, replacing the *Highway Traffic Act, Motor Vehicle Administration Act, Motor Transport Act* and *Off-Highway Vehicle Act*. It is a consolidated approach to road safety providing clarity for all road users.
Vital Statistics Act	Provides for the legal registration of all Alberta births, stillbirths, deaths, marriages and adoptions. Also provides for alterations and corrections to the records, issuance of burial permits, certificates, copies, searches of records and compilation of a statistical report.
Warehousemen's Lien Act	Establishes a mechanism for any person lawfully engaged in the business of storing goods as a bailee-for-hire to register a lien against those goods for non-payment of fees for services.
Woodmen's Lien Act	Gives a person who has provided labour or service in relation to logs or timber in Alberta a lien for the amount of any unpaid wages, subject to certain limitations.

Acts Administered by the Personal Administration Office

Act	Description
Public Service Act	The *Public Service Act* establishes the authorities for the Public Service Commissioner, Department Heads and Deputy Ministers, as well as establishes the conditions of employment and recruitment practices for Alberta Public Service employees.

Alphabetical List of Entities' Financial Statements in Ministry 2006-07 Annual Reports

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Access to the Future Fund[1]	Advanced Education and Technology
Agriculture Financial Services Corporation	Agriculture and Food
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Cancer Prevention Legacy Fund[2]	Finance
Alberta Capital Finance Authority	Finance
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Tourism, Parks, Recreation and Culture
Alberta Gaming and Liquor Commission	Solicitor General and Public Security
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance
Alberta Heritage Savings Trust Fund	Finance
Alberta Heritage Scholarship Fund	Finance
Alberta Heritage Science and Engineering Research Endowment Fund	Finance
Alberta Historical Resources Foundation	Tourism, Parks, Recreation and Culture
Alberta Insurance Council	Finance
Alberta Local Authorities Pension Plan Corporation[3]	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Advanced Education and Technology
Alberta Risk Management Fund	Finance
Alberta School Foundation Fund	Education
Alberta Securities Commission	Finance
Alberta Social Housing Corporation	Municipal Affairs and Housing
Alberta Sport, Recreation, Parks and Wildlife Foundation	Tourism, Parks, Recreation and Culture
Alberta Treasury Branches	Finance
ATB Insurance Advisors Inc.[4]	Finance
ATB Investment Management Inc.	Finance
ATB Investment Services Inc.	Finance
ATB Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Métis Settlements Child and Family Services Authority	
C-FER Technologies (1999) Inc.	Advanced Education and Technology

[1] Established July 10, 2005.

[2] Proclaimed May 31, 2006.

[3] Incorporated December 16, 2005.

[4] Incorporated July 12, 2006.

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Credit Union Deposit Guarantee Corporation	Finance
Colleges:	Advanced Education and Technology
Alberta College of Art and Design	
Bow Valley College	
Grande Prairie Regional College	
Grant MacEwan College	
Keyano College	
Lakeland College	
Lethbridge Community College	
Medicine Hat College	
Mount Royal College	
NorQuest College	
Northern Lakes College	
Olds College	
Portage College	
Red Deer College	
Department of Advanced Education and Technology	Advanced Education and Technology
Department of Agriculture and Food	Agriculture and Food
Department of Children's Services	Children's Services
Department of Education	Education
Department of Energy	Energy
Department of Finance	Finance
Department of Health and Wellness	Health and Wellness
Department of Municipal Affairs and Housing	Municipal Affairs and Housing
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General and Public Security	Solicitor General and Public Security
Department of Sustainable Resource Development	Sustainable Resource Development
Department of Tourism, Parks, Recreation and Culture	Tourism, Parks, Recreation and Culture
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Tourism, Parks, Recreation and Culture
Historic Resources Fund	Tourism, Parks, Recreation and Culture
Human Rights, Citizenship and Multiculturalism Education Fund	Tourism, Parks, Recreation and Culture
iCORE Inc.	Advanced Education and Technology
Lottery Fund	Solicitor General and Public Security
Ministry of Advanced Education and Technology	Advanced Education and Technology
Ministry of Agriculture and Food	Agriculture and Food
Ministry of Children's Services	Children's Services
Ministry of Education	Education
Ministry of Employment, Immigration and Industry [4,5]	Employment, Immigration and Industry
Ministry of Energy	Energy
Ministry of Environment [5]	Environment
Ministry of Executive Council [5]	Executive Council
Ministry of Finance	Finance
Ministry of Health and Wellness	Health and Wellness
Ministry of Infrastructure and Transportation [5]	Infrastructure and Transportation
Ministry of International, Intergovernmental and Aboriginal Relations [5]	International, Intergovernmental and Aboriginal Relations
Ministry of Justice[5]	Justice
Ministry of Municipal Affairs and Housing	Municipal Affairs and Housing
Ministry of Seniors and Community Supports	Seniors and Community Supports

[5] Ministry includes only the departments so separate departmental financial statements are not necessary.

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Service Alberta [5]	Service Alberta
Ministry of Solicitor General and Public Security	Solicitor General and Public Security
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Tourism, Parks, Recreation and Culture	Tourism, Parks, Recreation and Culture
Ministry of the Treasury Board [5]	Treasury Board
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards:	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Persons with Developmental Disabilities Provincial Board [5,6]	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Regional Health Authorities and Provincial Health Boards:	Health and Wellness
Alberta Cancer Board	
Alberta Mental Health Board	
Aspen Regional Health Authority	
Calgary Health Region	
Capital Health	
Chinook Regional Health Authority	
David Thompson Regional Health Authority	
East Central Health	
Health Quality Council of Alberta [7]	
Northern Lights Health Region	
Peace Country Health	
Palliser Health Region	
Safety Codes Council	Municipal Affairs and Housing
School Boards and Charter Schools:	Education
Almadina School Society	
Aspen View Regional Division No. 19	
Aurora School Ltd.	
Battle River Regional Division No. 31	
Black Gold Regional Division No. 18	
Boyle Street Education Centre	
Buffalo Trail Public Schools Regional Division No. 28	
Calgary Arts Academy Society	
Calgary Girls' School Society	
Calgary Roman Catholic Separate School District No. 1	
Calgary School District No. 19	
Calgary Science School Society	
Canadian Rockies Regional Division No. 12	
CAPE-Centre for Academic and Personal Excellence Institute	
Chinook's Edge School Division No. 73	
Christ the Redeemer Catholic Separate Regional Division No. 3	
Clearview School Division No. 71	

[5] Ministry includes only the departments so separate departmental financial statements are not necessary.

[6] Ceased operations June 30, 2006.

[7] Established July 1, 2006.

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
East Central Alberta Catholic Separate Schools Regional Division No. 16	
East Central Francophone Education Region No. 3	
Edmonton Catholic Separate School District No. 7	
Edmonton School District No. 7	
Elk Island Catholic Separate Regional Division No. 41	
Elk Island Public Schools Regional Division No. 14	
Evergreen Catholic Separate Regional Division No. 2	
FFCA Charter School Society	
Foothills School Division No. 38	
Fort McMurray Roman Catholic Separate School District No. 32	
Fort McMurray School District No. 2833	
Fort Vermilion School Division No. 52	
Golden Hills School Division No. 75	
Grande Prairie Public School District No. 2357	
Grande Prairie Roman Catholic Separate School District No. 28	
Grande Yellowhead Regional Division No. 35	
Grasslands Regional Division No. 6	
Greater North Central Francophone Education Region No. 2	
Greater Southern Public Francophone Education Region No. 4	
Greater Southern Separate Catholic Francophone Education Region No. 4	
Greater St. Albert Catholic Regional Division No. 29	
High Prairie School Division No. 48	
Holy Family Catholic Regional Division No. 37	
Holy Spirit Roman Catholic Separate Regional Division No. 4	
Horizon School Division No. 67	
Lakeland Roman Catholic Separate School District No. 150	
Lethbridge School District No. 51	
Living Waters Catholic Regional Division No. 42	
Livingstone Range School Division No. 68	
Medicine Hat Catholic Separate Regional Division No. 20	
Medicine Hat School District No. 76	
Moberly Hall School Society	
Mother Earth's Children's Charter School Society	
New Horizons Charter School Society	
Northern Gateway Regional Division No. 10	
Northern Lights School Division No. 69	
Northland School Division No. 61	
Northwest Francophone Education Region No. 1	
Palliser Regional Division No. 26	
Parkland School Division No. 70	
Peace River School Division No. 10	
Peace Wapiti School Division No. 76	
Pembina Hills Regional Division No. 7	
Prairie Land Regional Division No. 25	
Prairie Rose Regional Division No. 8	
Red Deer Catholic Regional Division No. 39	
Red Deer School District No. 104	
Rocky View School Division No. 41	
St. Albert Protestant Separate School District No. 6	
St. Paul Education Regional Division No. 1	
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Sturgeon School Division No. 24	
Suzuki Charter School Society	
Westmount Charter School Society	
Westwind School Division No. 74	
Wetaskiwin Regional Division No. 11	
Wild Rose School Division No. 66	
Wolf Creek School Division No. 72	
Supplementary Retirement Plan Reserve Fund	Finance
Technical Institutes and The Banff Centre:	Advanced Education and Technology
Northern Alberta Institute of Technology	
Southern Alberta Institute of Technology	
The Banff Centre for Continuing Education	
Universities:	Advanced Education and Technology
Athabasca University	
The University of Alberta	
The University of Calgary	
The University of Lethbridge	
Victims of Crime Fund	Solicitor General and Public Security
Wild Rose Foundation	Tourism, Parks, Recreation and Culture

Entities Not Included In The Consolidated Government Reporting Entity

Fund or Agency	Ministry Annual Report
Alberta Foundation for Health Research	Advanced Education and Technology
Alberta Heritage Foundation for Medical Research	Advanced Education and Technology
Alberta Heritage Foundation for Science and Engineering Research	Advanced Education and Technology
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs and Housing
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Employment, Immigration and Industry
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Employment, Immigration and Industry
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Provincial Judges and Masters in Chambers (Unregistered) Pension Plan	Finance
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Special Areas Trust Account	Municipal Affairs and Housing
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Employment, Immigration and Industry

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